Daily Report
East Europe

FBIS-EEU-87-248 *28 December 1987*

CONTENTS

ALBANIA

SRV's Foreign Minister Visits, Holds Talks 1
Arrives With Delegation 1
Holds Talks With Malile 1
Received by Carcani 1
Attends Malile-Hosted Dinner 1
Visits Capital, Pays Homages 2
Meets Officials 3
Visits Berat District 3
Received by Hoxha 3
Meets With Alia, Officials 4
Small Herds To Meet Milk Needs of Peasantry *[ZERI I POPULLIT 16 Dec]* 4

BULGARIA

Zhivkov Speaks at National Aktiv Meeting 6
BCP Daily Notes Party Role in Changes *[RABOTNICHESKO DELO]* 6
Kozloduy No. 5 Reactor Power Unit Accepted 7
USSR Policy on Balkan Nuclear-Free Zone *[OTECHESTVEN FRONT 23 Dec]* 7
1988 USSR-Bulgarian Space Flight Announced 8
Lukanov Meets USSR's Talyzin, Officials 8
Ambassador Petrov Reports Vienna CSCE Results 9
Foreign Ministries Hold Talks in Paris 9

CZECHOSLOVAKIA

U.S. Manufacture of Chemical Weapons Viewed *[Halousek]* 10
Jakes Delivers Report to CPCZ Plenum 17 Dec *[RUDE PRAVO 19 Dec]* 10
Government Discusses Restructuring, Penalties *[RUDE PRAVO 22 Dec]* 27
Dissatisfaction With Slovak Enterprises *[Bratislava PRAVDA 16 Dec]* 28

GERMAN DEMOCRATIC REPUBLIC

Agreement With U.S. on INF Inspection *[NEUES DEUTSCHLAND 24 Dec]* 31
Kleiber Meets Romanian Minister Dinu *[NEUES DEUTSCHLAND 23 Dec]* 31
Demonstrators Dispersed Outside Romanian Embassy *[DPA]* 31
Message from Albania's Alia to Honecker *[NEUES DEUTSCHLAND 23 Dec]* 31
Krenz Receives DPRK's Kye Ung-tae 31
FDJ Resolution on 1988 Plan *[NEUES DEUTSCHLAND 21 Dec]* 32

HUNGARY

SRV Foreign Minister Visits 22-24 Dec 33
Ministers Approve 1988 Economic Plan 33
Spokesman Meets Press on Assembly Session *[MAGYAR HIRLAP 22 Dec]* 35
Grosz Addresses National Assembly *[NEPSZABADSAG 17 Dec]* 35
Passport, Foreign Travel Changes Outlined 41

POLAND

Release of 'Conscientious Objectors' Demanded 42
Walesa Backs Warsaw Strikers *[AFP]* 42
Strikers in Gdansk, Opole *[DPA]* 42
Hunger Strike Ends *[DPA]* 42
Orzechowski Address to CSSR's Chnoupek *[TRYBUNA LUDU 22 Dec]* 42
Roundup of 15 Dec PZPR CC Plenum Speeches *[TRYBUNA LUDU 17 Dec]* 43
Sejm President Malinowski Interviewed on Reform *[Vienna DIE PRESSE 21 Dec]* 45
Economist Defends Role of Private Enterprise *[TRYBUNA OPOLSKA 17-18 Dec]* 46
'Main' Opposition Leader Michnik Interviewed *[Barcelona LA VANGUARDIA 29 Nov]* 47
Leaders' Public Appearances 9-15 Dec 48
Leaders' Public Appearances 16-21 Dec 49

ROMANIA

Further Reportage on RCP National Conference 51
Olteanu Address 14 Dec *[SCINTEIA 16 Dec]* 51
Bobu Address 15 Dec *[SCINTEIA 16 Dec]* 53
Andrei 15 Dec Address *[SCINTEIA 16 Dec]* 55
14-16 Dec Speeches 57
Dobrescu 16 Dec Address *[SCINTEIA 17 Dec]* 58
Ursu, Balan Addresses 23 Dec 59
Ciobanu Report on Self-Management 60
Further on Grand National Assembly Meeting 60
1988 Plan, Budget Laws Passed 60
Elena Ceausescu Addresses GNA 60
Further on Republic Day Session 60
GNA Session 24 Dec 61

YUGOSLAVIA

Assembly Committees Deadlock on Economic Plan 62
Committees 'Harmonizing' Views 62
Chamber Session Postponed 62
Chamber To Meet 29-30 Dec 62
Finance Committee 'Unresolved' 62
Credit Committee 'Divided' 63
FEC Discusses Economic Issues, Gun Law 63
Krunic Chairs Group Preparing LCY Conference 63
Author of Letters on 'New' Party Arrested 64
Background on Author 64
Gacic Addresses LCY Presidium Secretaries 64
Smole Criticizes Anti-Inflation Program 65
Slovene Trade Unions Criticize Government 66
Criticism of Pancevski Termed 'Absurd' *[POLITIKA 14 Dec]* 66
Radio Views Right to Different Opinion 66
Kosovo Council Looks at Irregularities 67
Discussion on Celebrations of Christmas Noted 67
Bosnian LC President Suffers Heart Attack *[BORBA 18 Dec]* 68
Economic Talks Held With Hungary *[MTI]* 68

SRV's Foreign Minister Visits, Holds Talks

Arrives With Delegation

AU241507 Tirana Domestic Service in Albanian 1430 GMT 24 Dec 87

[Text] Nguyen Co Thach, member of the Political Bureau of the Central Committee of Vietnam, deputy chairman of the Council of Ministers, and minister of foreign affairs of the Socialist Republic of Vietnam, arrived this morning at the invitation of Comrade Reis Malile, minister of foreign affairs of the Socialist People's Republic of Albania.

The Vietnamese foreign minister and the persons accompanying him were met at Rinas Airport by Reis Malile, minister of foreign affairs; Jovan Bardhi, minister of the food industry, Ministry of Foreign Affairs officials, and others. They warmly welcomed the Vietnamese guests to Albania.

Syrja Laze, ambassador extraordinary and plenipotentiary of the People's Socialist Republic of Albania to the Socialist Republic of Vietnam; and Li Ngoc Thanh, ambassador extraordinary and plenipotentiary of the Socialist Republic of Vietnam to the People's Socialist Republic of Albania were present.

Holds Talks With Malile

AU241727 Tirana Domestic Service in Albanian 1700 GMT 24 Dec 87

[Text] Reis Malile, minister of foreign affairs of the People's Socialist Republic of Albania, this afternoon received Nguyen Co Thach, minister of foreign affairs of the Socialist Republic of Vietnam.

During the talks, which took place in a warm and friendly atmosphere, both sides showed appreciation for the close friendship between the Albanian and Vietnamese people, as well as the relations between our two countries, which have developed successfully. Both ministers expressed their confidence that the relations of friendship and cooperation between Albania and Vietnam will continue to strengthen and develop in the future, to the benefit of our two befriended peoples and the struggle against imperialism. They exchanged opinions on the expansion of relations in various fields, such as trade, know-how, science, culture, and so forth.

The two ministers also discussed certain aspects of the present-day international situation, the situation in the Balkans, in Europe, in Southeast Asia, and other regions.

The talks were attended by officials of the Albanian and Vietnamese ministries of foreign affairs, as well as the respective ambassadors, Syrja Laze and Li Ngoc Thanh.

Received by Carcani

AU261714 Tirana Domestic Service in Albanian 1900 GMT 24 Dec 87

[Text] Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania and AWP Central Committee Politburo member, this afternoon received at the seat of the Council of Ministers Nguyen Co Thach, member of the Political Bureau of the Vietnamese Communist Party Central Committee, deputy chairman of the Council of Ministers, and minister of foreign affairs of the Socialist Republic of Vietnam.

The reception was attended by Reis Malile, minister of foreign affairs, and Gjon Gorishti, general secretary of the Council of Ministers. Syrja Laze, ambassador extraordinary and plenipotentiary of the People's Socialist Republic of Albania in Hanoi, and Li Ngoc Thanh, ambassador extraordinary and plenipotentiary of the Socialist Republic of Vietnam in Tirana, were also present.

After pointing out the traditional friendship between the Albanian and Vietnamese peoples, Comrade Adil Carcani stressed our party, people, and government feel great respect for the Vietnamese people and have unreservedly supported the heroic struggle of the Vietnamese people for national liberation and the country's unification. Comrade Adil Carcani stated that the Albanian people rejoice at all successes achieved by the Vietnamese people in the country's socialist construction and support their efforts to defend their freedom and national independence.

After expressing thanks for the warm and cordial welcome granted him, Minister of Foreign Affairs Nguyen Co Thach expressed appreciation for the valuable assistance and supported have given and are giving to Vietnam by the Albanian party, government, and people in the struggle for national liberation, as well as in their current efforts for the country's socialist construction, and their free and independent development. He conveyed to Comrade Adil Carcani cordial greetings from Comrade Pham Hung, chairman of the Council of Ministers of the Socialist Republic of Vietnam.

Comrade Adil Carcani then briefed the Vietnamese guest on the efforts and achievements of the Albanian people in various fields, on the prospects of the Eighth 5-Year Plan for the development of the economy and culture, and on our country's domestic and foreign policy. He asked the Vietnamese minister of foreign affairs to convey his warm greetings to Comrade Pham Hung, chairman of the Council of Ministers of the Socialist Republic of Vietnam.

Attends Malile-Hosted Dinner

AU241442 Tirana ATA in English 1116 GMT 25 Dec 87

[Text] Tirana, December (ATA)—Reis Malile, minister of foreign affairs, gave a dinner on December 24 in honour of the member of the Political Bureau of the CC

of the CP of Vietnam, vice-chairman of the Council of Ministers and minister of foreign affairs of the SR of Vietnam, Nguyen Co Thach and the persons accompanying him.

Attending were Besnik Bekteshi, member of the Political Bureau of the Central Committee of the party and vice-chairman of the Council of Ministers; Niko Gjyzari, chairman of the State Planning Commission; Jovan Bardhi, minister of the foodstuffs industry; Themie Thomai, minister of agriculture; Ahmet Kamberi, minister of health; Sofokli Lazri, director of the International Relations Study Institute; Leandro Zoto, chairman of the Executive Committee of Tirana District People's Council, and other comrades.

Present were also Syrja Laze, ambassador extraordinary and plenipotentiary of Albania in Vietnam and Le Ngoc Thanh, ambassador extraordinary and plenipotentiary of Vietnam in our country.

During the dinner, Reis Malile, foreign minister, and Nguyen Co Thach, foreign minister of Vietnam greeted.

In his greeting, Minister Reis Malile, after wishing welcome to the Vietnamese friends pointed out among others that the Albanian people and the Vietnamese people, are bound with one another by a close friendship based on the struggle against imperialism for the triumph, defense and consolidation of the freedom and independence, the efforts for progress and socialism. The Party of Labor of Albania, our government, and people, he said, cherish a profound respect for the industrious and valiant Vietnamese people, their lofty features, the revolutionary spirit and their legendary war against the U.S. imperialist aggressors, that was crowned with the historic victory of the Vietnamese people on April 30, 1975.

On his part, Minister Nguyen Co Thach stressed that the Vietnamese people have a special admiration for the glorious history of the Albanian people and the successes they have attained in the socialist construction. Under the leadership of the of the PLA, with Comrade Ramiz Alia at the head, follower of Comrade Enver Hoxha's deed, during more than four decades, the Albanian people through extraordinary efforts and tireless and creative work have turned Albania, once backward and poor, into a developed industrial and agricultural country, with en ever better life from the material and cultural point of view. We wholeheartedly hail these victories and sincerely wish the Albanian people ever greater victories in the construction of socialism in their beautiful country.

The dinner passed in a warm and friendly atmosphere.

Visits Capital, Pays Homages

AU261527 Tirana ATA in English
0731 GMT 26 Dec 87

[Text] Tirana, December 26 (ATA)—The member of the Political Bureau of the CC of the CP of Vietnam, vice-chairman of the Council of Ministers and minister of foreign affairs of the SR of Vietnam, Nguyen Co Thach, paid homages to the graves of the nation's martyrs and to the grave of Comrade Enver Hoxha yesterday before noon.

The foreign minister, Nguyen Co Thach, laid wreaths on the monument Mother Albania and on the grave of the leader of the Albanian people, Enver Hoxha.

The Vietnamese guests laid bouquets of flowers on the graves of Comrades Hysni Kapo, Gogo Nushi and Qemal Stafa.

At this ceremony he was accompanied by the chairman of the Executive Committee of the People's Council of the district, Leandro Zoto; the vice-minister of foreign affairs, Muhamet Kapllani and the commander of the Tirana garrison Eduard Shehu.

The member of the Political Bureau of the CC of the CP of Vietnam, vice-chairman of the Council of Ministers, and minister of foreign affairs of the SR of Vietnam, Nguyen Co Thach, paid visits in the capital and in the city of Kruje on December 25 before noon.

During these visits he was accompanied by the vice-minister of foreign affairs, Muhamet Kapllani, and other comrades.

Present were also the ambassador extraordinary and plenipotentiary of the PSR of Albania in Vietnam, Syrja Laze, and the ambassador extraordinary and plenipotentiary of the SR of Vietnam in our country, Le Ngoc Thanh.

At first the Vietnamese guests visited the Museum of National History, where they were acquainted with the ancient and new history of the people, with their struggles and efforts for independence, the liberation of the homeland and the victory of the people's revolution, for the socialist construction and the defense of the country. The foreign minister, Nguyen Co Thach, wrote this note in the impressions' book of the museum: The brilliant past belongs only to the peoples that have a heroic history, whether they are large or small.

Then the Vietnamese foreign minister and the persons accompanying him paid a visit to the exhibition on the economic and cultural development of the PSR of Albania. Through the exhibits and materials displayed in the exhibition, the Vietnamese guests were acquainted with

the transformations and successes achieved in industry, agriculture, education, culture, health service, and in other fields during the years of the people's power under the leadership of the party.

"It is a special pleasure for us to visit this exhibition — said Nguyen Co Thach—a big lesson for the countries with little population and area to develop the economy self-reliantly."

Yesterday, too, the foreign minister of Vietnam, Nguyen Co Thach, and the persons accompanying him went to the city of Kruje, where they were received by the chairman of the Executive Committee of the People's Council of the district Petraq Kalemi.

They visited the "Gjergj Kastrioti Scanderbeg" National Museum, where they were acquainted with the glorious history of our people, with their struggles and efforts under the leadrship of the National Hero, Gjergj Kastrioti Scanderbeg. "Mankind—the Vietnamese foreign minister said-will never forget Scanderbeg, the eagle of Albania which flew in the sky of the Balkans."

Meets Officials

AU261409 Tirana ATA in English 0745 GMT 26 Dec 87

[Text] Tirana, December 26 (ATA)—The member of the Political Bureau of the CC of the CP of Vietnam, vice-chairman of the Council of Ministers, and minister of foreign affairs of the SR of Vietnam Nguyen Co Thach, was received in separate meetings by the chairman of the state Planning Commission, Niko Gjyzari, the minister of agriculture, Themie Thomai, and the minister of the foodstuffs industry, Jovan Bardhi.

Present were also the ambassador extraordinary and plenipotentiary of Albania in Hanoi, Syrja Laze, and the ambassador extraordinary and plenipotentiary of Vietnam in Tirana Le Ngoc Thanh.

At these meetings, which passed in a warm and friendly atmosphere, the Vietnamese friends got acquainted with the work done and the successes attained from one 5-year plan to the other in different branches of economy, as in industry, agriculture, foodstuffs and other sectors, the perspectives of the Eighth 5-Year Plan in the development of economy and culture in our country, and with the care taken for the constant elevation of the well-being of the working masses. Both sides expressed their common desire to further strengthen the friendly relations between the Albanian people and the Vietnamese one, and to intensify the cooperation between our two countries in different fields.

Visits Berat District

AU271533 Tirana Domestic Service in Albanian 1900 GMT 26 Dec 87

[Text] Nguyen Co Thach, member of the Politburo of the Central Committee of the Communist Party of Vietnam, vice chairman of the Council of Ministers, and minister of foreign affairs of the Socialist Republic of Vietnam, and the persons accompanying him, today paid a visit to Berat District.

During this visit, the Vietnamese guests were accompanied by Foreign Minister Reis Malile and other comrades. Syrja Laze, ambassador extraordinary and plenipotentiary of the People's Socialist Republic of Albania to Vietnam, and Le Ngoc Thanh, ambassador extraordinary and plenipotentiary of the Socialist Republic of Vietnam to Albania also accompanied them. During the trip to Berat, the Vietnamese guests stopped in the city of Lushnje, where they were received by Gjergji Velo, chairman of the Lushnje District People's Council Executive Committee. Xhevat Shima, director of the Institute of Agricultural research, briefed the Vietnamese guests on the institute's research and scientific work to increase agricultural production. The Vietnamese guests then visited the Hero of Socialist Labor cooperative of Lapardha, in Berat District, where they were received by Kristaq Kule, chairman of the district's people's council executive committee. Pajtim Leka, chairman of the cooperative, welcomed the Vietnamese guests and briefed them on the high results attained by the members of the cooperative in the production of wheat, corn, cotton, and milk, and in other sectors. Foreign Minister Nguyen Co Thach expressed his admiration for the successes in developing the economy, education, and culture, and in raising the well-being of the members of the cooperative.

The Vietnamese guests also visited a number of economic and cultural institutions in the city of Berat.

Kristaq Kule, chairman of Berat District People's Council Executive Committee, hosted a lunch in honor of the Vietnamese guests, which took place in a warm and friendly atmosphere.

Received by Hoxha

AU271529 Tirana Domestic Service in Albanian 1900 GMT 26 Dec 87

[Text] Nexhmije Hoxha, president of the General Council of the Democratic Front of Albania, today received Nguyen Co Thach, member of the Politburo of the Central Committee of the Communist Party of Vietnam, vice chairman of the Council of Ministers, and minister of foreign affairs of the Socialist Republic of Vietnam.

Lumturi Rexha, president of the General Council of the Albanian Women's Union, and Xhorxhi Robo, general secretary of the General Council of the Democratic Front of Albania, also attended the meeting. Syrja Laze,

ambassador extraordinary and plenipotentiary of the People's Socialist Republic of Albania in Hanoi, and Le Ngoc Thanh, ambassador extraordinary and plenipotentiary of the Socialist Republic of Vietnam in Tirana, were also present.

The meeting took place in a warm and friendly atmosphere.

Meets With Alia, Officials

AU271357 Tirana Domestic Service in Albanian 1900 GMT 26 Dec 87

[Text] Comrade Ramiz Alia, AWP Central Committee first secretary and chairman of the Presidium of the People's Assembly, today received Nguyen Co Thach, member of the Politburo of the Central Committee of the Communist Party of Vietnam, vice chairman of the Council of Ministers, and minister of foreign affairs of the Socialist Republic of Vietnam.

The reception was also attended by Reis Malile, minister of foreign affairs, and Sihat Tozaj, secretary of the Presidium of the People's Assembly. Syrja Laze, ambassador extraordinary and plenipotentiary of the People's Socialist Republic in Vietnam, and Le Ngoc Thanh, ambassador extraordinary and plenipotentiary of the Socialist Republic of Vietnam in Albania, were also present at the reception.

Comrade Ramiz Alia welcomed the Vietnamese guest, holding a warm and friendly talk with him. He pointed out that the Albanian party and people have always had and continue to have a special sympathy for the Vietnamese people, and for the great struggles and sacrifices they have made and are making in defending their freedom and national independence. Comrade Ramiz Alia stated that Comrade Enver Hoxha had always highly valued the heroic struggle of the Vietnamese people against the American imperialists as an example to other peoples, and had appreciated their efforts in reconstructing the country building socialism, and defending their homeland.

He also stressed that Albania and Vietnam are joined in close friendship by the history of our two peoples, which is a one of struggles for freedom and independence against imperialist enemies, and by their efforts to build socialism under the specific conditions of the two countries. That is why we meet with you as comrades and friends, and rejoice over your visit, he said.

Foreign Minister Nguyen Co Thach expressed his thanks for the warm reception and his satisfaction with his stay in Albania. Allow me, Comrade Ramiz, he stated, to convey to you, the worthy continuator of Comrade Enver Hoxha's deeds, the cordial greetings of the Politburo and of the general secretary of the Central Committee of the Communist Party of Vietnam, Nguyen Van Linh. He expressed his appreciation for the valuable assistance rendered by the party, and government of Albania and by the Albanian people to the Vietnamese people in the past and at present. He expressed his admiration for the successes achieved in our country during the year of the people's authority, as well as the wish that the relations of friendship and cooperation between Albania and Vietnam will be continually strengthened.

Comrade Ramiz Alia expressed his wish for the further development of relations between Albania and Vietnam through specific ways and possibilities, which would be of mutual benefit to both countries. He asked Foreign Minister Nguyen Co Thach to convey warm greetings to Comrade Nguyen Van Linh, general secretary of the Central Committee of the Communist Party of Vietnam, and to the other comrades of the party-state leadership. Comrade Ramiz Alia then spoke about our party's and foreign policy and exchanged opinions with the Vietnamese guest about certain aspects of the present-day international situation and the situation in various regions of the world.

The reception took place in a cordial atmosphere.

Small Herds To Meet Milk Needs of Peasantry

AU211811 Tirana ZERI I POPULLIT in Albanian 16 Dec 87 p 1

[Editorial: "Let Us Guarantee the Peasantry's Entire Milk Supply From Small Herds Within 1988"]

[Excerpt] The AWP Central Committee Secretariat has recently analyzed the results of work done to the present with small herds at the brigade level, and has prescribed tasks for 1988 and the future.

Only 2 years have passed since the party, in support of the peasantry's initiative, issued instructions to form small livestock herds at the brigade level that will supply brigade members and their families with fresh milk. Within this short period, sound foundations have been laid for supplying the countryside with milk principally from small herds. Now small herds have been formed in the overwhelming majority of brigades, or more precisely in 86 percent of brigades that can keep livestock. These small herds now include about 45,000 cows, 25,000 heifers, and 150,000 head of small livestock, etc. This has had a noticeable influence on increasing the number of livestock, especially cows, on a national scale. Production from small herds now covers more than one-third of the countryside's fresh milk supply. Particular districts, such as Fier, and Lushnje, and also Permet, Durres, Elbasan, and Korce, have reached an even higher proportion. Another statistic testifies to the rate of progress and growth of small herds: This year milk production from small herds is expected to be about four times greater in comparison with last year. It is a further positive sign that the quantity of milk delivered to the state from concentrated herds has also increased, along with increased milk production from small herds. All these achievements testify to the correctness of the

party's instruction to form small herds, and constitute an extremely valuable body of experience. They are a powerful incentive to make further strides in this direction. The cooperativist peasantry and other working people in agriculture who supported the party directive, and turned the initiative to form small herds into a great mass action, are struggling to further consolidate their achievements in order to fulfill the aim of the Ninth Party Congress that every brigade and every village shall have entirely ensured its fresh milk supply from small herds by the end of 1988. The advanced experience of hundreds of brigades and villages in the districts of Lushnje and Fier, and many other brigades and villages in other districts of the country who have achieved this aim this year, show that it is entirely within the bounds of possibility for other brigades to achieve it too. This is an important duty, and performing it depends on the labor of brigades, the peasantry, and party base organizations and their instruments. [passage omitted]

Zhivkov Speaks at National Aktiv Meeting

AU251912 Sofia BTA in English
1818 GMT 25 Dec 87

[Text] Sofia, December 25 (BTA)—A national meeting of high ranking party, state and economic officials was held in Sofia. It was attended by party and state leaders, public figures, chairmen of associations and other economic organizations, directors of different enterprises, chiefs of farm work-teams, representatives of the scientific and artistic intelligentsia and of the mass media. The meeting was opened and chaired by Mr Georgi Atanasov, member of the Politburo of the CC of the BCP and chairman of the Council of Ministers. Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, spoke about the practical implementation in life of the resolutions of this year's July and November plenums of the CC of the BCP.

He pointed out the main ways and approaches to the solution of the comprehensive problems of restructuring ensuing from the objective realities in Bulgaria ad in modern world. What is most important for the success of this revolutionary work, a logical continuation of the innovation after 1956, is its correct understanding by everybody, the active participation of the millions of working people. This is a time of radical turning point in the life of society, a time of deep qualitative changes in the form and content of socialism, of its essence. The problems and principles of restructuring are synthesized in self-government, which will include the production and social communities, all spheres of life.

Mr Todor Zhivkov spoke also about the immediate tasks standing before this country in 1988, when the National Conference of the BCP will be held, and we will turn to a large scale implementation of the resolutions of the 13th BCP Congress, of the July and November plenums of the CC of the BCP.

Mr Stoyan Ovcharov, minister of economy and planning, delivered a report on the organization of the work for the fulfillment of the 1988 plan, on the application of the regulations for economic activity and the transference of socialist property to work teams for management and control.

Mr Vasil Tsanov, secretary of the CC of the BCP, spoke of the resolution of the Politburo of the CC of the BCP and the decree of the Council of Ministers for a qualitatively new stage in the development of agriculture and about the organization of the work in connection with the implementation of these important party and government documents.

BCP Daily Notes Party Role in Changes

AU251554 Sofia BTA in English
1447 GMT 25 Dec 87

["BCP in the Lead of the Great Social Change"—BTA headline]

[Text] Sofia, December 25 (BTA)—In its "Survey" column RABOTNICHESKO DELO dwells on the processes of reconstruction in this country and on the role of the BCP in their realization. The daily of the CC of the BCP stresses that the aim of the great social changes is to achieve such a dynamism in the development of the productive forces and in the perfection of production relations that would make Bulgaria a highly advanced and civilized socialist state at the beginning of the 21st century. The comprehensive reconstruction which is now underway is revolutionary in nature and it affects the essence of socialism and not its periphery. It marks the beginning of a new historical stage in the development of this country.

1987 will be remembered for the dynamic and transforming theoretical, methodological and practical work of the BCP in the elaboration and realization of the course toward a qualitatively new development. It elucidated the dialectical interrelation between the social and the techno-scientific revolution. There were developed theoretical and practical formulations of an original and contributing nature mapping out the road to a qualitatively new society in the specific Bulgarian conditions and providing a political, organizational and legal basis for achieving the set goals. The practical work was facilitated by the new models, principles, approaches, structures, forms and mechanisms which were elaborated.

The daily recalls the adopted principles of self-government and of socialist management and the new structures of state power, of the economy and of the territorial organization of the country. New instruments for the socioeconomic progress of the country have been developed. On the whole, a decisive transition to a self-governing society is now under way.

The daily of the CC of the BCP notes that the new model of the socialist society in this country, approved as a program for the development of the country in the following decades, is a synthesis of the enormous work carried out by the BCP.

The new model is a negation of the hitherto prevailing administrative bureaucratic model, of all that is now old and unnecessary and which impedes the rapid development of the country. It has been provided for setting up a society of a qualitatively new type in which everything—the state, the party, the economy, the territories, etc., will function on the principles of self-management.

The changes which are to take place within the Communist Party will find expression mainly in the demarcation between its functions and those of the state. Here we have in mind neither a mechanical division of power, nor a decrease in the leading role of the party. To the contrary, the role of the party will grow with the stepping up of the political nature of party leadership. Therefore it would be necessary for the party to free itself from the functions, rights and responsibilities which are extrinsic to it and which have turned it into an agent and topmost tier of power and into the highest instance both in taking and in implementing solutions. So far this has resulted in party all-powerfulness. The extreme centron [word as

received] led to deformations in the interrelations between the party and the state, economic and public bodies and organizations and restricted initiative and self-dependence.

In the new conditions the party will set the general course, the strategy of the development of society and direct development in line with the objective laws and the concrete conditions by timely revealing and solving the emerging contradictions. It will implement the cadre policy in conformity with the party principles and on a democratic basis, it will engage in ideological work among the population, especially among the youth, it will create the necessary ideological climate for achieving the aims, it will maintain strong links with all strata of the population and rally them in the implementation of the tasks and it will systematically and scientifically analyze the social processes taking place in this country.

The daily notes that for the time being, while the structure and hierarchy of self-government is being constructed and its mechanisms established, the party will continue to act as an agent of power. This is also one of the guarantees that the change will actually be a profound, all-embracing and an irreversible one.

The article also dwells on some aspects of the changes in life within the party. Here things are more complicateted and more difficult and the change will be slower because consciousness changes more slowly. The new aspects in life within the party will find expression in decentralization in favor of the municipal and above all the primary party organization by guaranteeing its independence and autonomy on a normative, organizational and cadre basis. It is necessary to further democratize life within the party and to enhance the ideological and intellectual links among the communists and between the communists and the non-party members.

Kozloduy No. 5 Reactor Power Unit Accepted

AU231912 Sofia Domestic Service
in Bulgarian 1830 GMT 23 Dec 87

[Text] At the Kozloduy Nuclear Power Complex today the State Acceptance Commission signed the document for the transfer of the No. 5 unit by the construction and installation organizations of the "Nuclear Power Engineering" Economic Association.

Our correspondent Veselin Angelov reports that Bulgarian and Soviet specialists, their colleagues from other CEMA member countries, 33 specialized project design, construction, and installation organizations, and 19 international brigades took part in the construction of the 1000-megawatt No. 5 power unit.

When the unit has achieved its design output, Kozloduy will produce 40 percent of Bulgaria's electric power.

USSR Policy on Balkan Nuclear-Free Zone

AU251600 Sofia OTECHESTVEN FRONT
in Bulgarian 23 Dec 87 p 7

[Dimitur Nikolov article: "The Balkans on the European Peace Map"]

[Text] The INF Treaty signed by the USSR and the United States directly affects detente in the Balkan atmosphere and the transformation of the peninsula into a zone free of nuclear and chemical weapons. The Soviet peace policy once more appears in this connection as a factor of essential importance for security consolidation in our area. This policy reflects the new views and approaches, as well as the total restructuring spirit inspiring all activities of the CPSU and USSR in international relations for the consolidation of the principle of new political thinking.

The Soviet Balkan policy considerably contributes to the consolidation of confidence and to the development of political dialogue in the region. The USSR and other Warsaw Pact member-states support the proposal submitted by Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council, on the transformation of the Balkans into a nuclear-free zone. Supporting the initiative of the People's Republic of Bulgaria, the Soviet Union expressed its energetic policy aimed at world-wide disarmament and detente.

The readiness which was unmistakably expressed by the USSR to provide guarantees for the implementation of the peace initiatives submitted by the Balkans was also confirmed in a categorical manner later when the Soviet Union actively supported the joint appeal launched by the party and state leaders of Romania and Bulgaria for the transformation of our area into a zone free of chemical weapons. There is even more: The Soviet Union in this connection proposed to ensure an "investigation [inspektionen] access" to the military bases situated on the territories of other Balkan countries, including Turkey, Greece, and Cyprus.

In this respect the Soviet policy aimed at peace, security, and banning of nuclear weapons in the Balkans, in the Adriatic, the Black Sea, as well as the Mediterranean zones, is distinguished by a spirit of principle and consistency. These are areas situated in the immediate vicinity of the Balkan countries. The proposals of the USSR contribute to expanding the scope of peace policy as regards our region. Let us recall that Eduard Shevardnadze, USSR minister of foreign affairs, in his letter, of 8 July 1986 to Javier Perez de Cuellar, the UN secretary general, resolutely supported the proposals of the nonaligned countries situated in the Mediterranean zone to transform this area into a zone of stable peace and cooperation. The Soviet proposal that the Navies of the USSR and of the United States should be withdrawn from these areas and that negotiations on this problem should promptly begin is still valid.

The Soviet approach to the problem of Cyprus is closely linked to the situation in the Balkans, as well. The Soviet Union has repeatedly stressed its unmistakable and consistent stand, based on principle, as regards the existing regional conflict, which is still unresolved and is even deteriorating, owing to which it involves serious threats against peace on a larger scale. In a declaration on this subject adopted on 22 January 1986, the Soviet Government pointed out that the Republic of Cyprus should remain an independent, self-governing, territorial unit and a united state, while its sovereignty should extend over the entire territory of this island, without any exceptions.

The relations of the Soviet Union with the capitalist countries on the Balkans are built on the principles of peaceful coexistence and subjected to the USSR's striving for positive influence on the development of good neighborly relations among Balkan countries. It is the chief goal of this policy to consolidate peace and security, as well as to eliminate all foreign military presence from the Balkan peninsula.

The Soviet peace initiatives, the efforts of the USSR devoted to detente in the international atmosphere, to the elimination of medium and smaller range nuclear weapons, are widely supported by the progressive public in the Balkans. The attitude of the governments of the countries situated in this region to these problems can be viewed as indicative of their policy on questions of peace, security, and international confidence. It is a fact that most of them expressed their full support for the Soviet proposals in this respect. This attitude is dictated, above all, by the understanding that the Soviet Union's consistent, peace-loving policy has an exceptionally beneficial effect upon the development of the Balkan situation. Indeeed, the policy increases the opportunities for the banning of nuclear and chemical weapons, for lasting peace, security, and cooperation among states and peoples in the area.

1988 USSR-Bulgarian Space Flight Announced

AU251922 Sofia BTA in English
1850 GMT 25 Dec 87

[Text] Sofia, December 25 (BTA)—It was announced from Moscow that the second Bulgaro-Soviet space flight will start on June 21, 1988. Probably the flight will continue about 7-10 days. Both crews are known: First—Vladimir Solovyev, Viktor Savinikh and Aleksandur Aleksandrov; second—Vladimir Lyakhov, Aleksandr Srebrov and Krasimir Stoyanov.

Major-Engineer Aleksandur Aleksandrov is training for a second time for space flying. He was the double of the first Bulgarian cosmonaut Georgi Ivanov in 1979. First Lieutenant Krasimir Stoyanov passed through a difficult cycle of medical tests and on January 8 this year was chosen among the dozens of applicants.

Academician Mako Dakov, chairman of the National Committee for Use and Research of Space, said before a BTA reporter:

"The crews include some of the most famous names among Soviet cosmonauts, and one of them: Captain Vladimir Lyakhov is training for a second time for a joint flight with Bulgarians."

The Bulgarian participation in the scientific program known as the "Shipka" project includes 40 themes. Nine apparatuses, which have been produced with Bulgarian participation will be on the orbital station "Mir". The astronauts will use them for research in spheres like space physics and material studies, distance methods for research of the earth, space biology and medicine.

Acad Dakov pointed out the astronomic set "Rozhen", which will be used for the first time in space. It is an optico-electronic system of the new generation of board digital processing of results of the studies of stars, constellations, galaxies.

The system "Lyulin", a microprocessor system for psycho- physiological analysis of cosmonauts' reactions and the "Pleven" system which performs 15 psychological tests are also with indisputable qualities. Specialists expect the experiments for the production of new alloys with great interest. Bulgarian scientists have prepared the "Voal" experiment for the obtaining of an alloy of wolfram and aluminum. Naturally, as Bulgaria is ranking third (after the USSR and the U.S.) in the production of space foods in the world, it will offer the menu for the joint flight. A list of space foods has already been prepared at a special department of the Agricultural Academy.

Academician Dakov said that all the tests of the technological models of the apparatuses and systems have been made and in January 1988, Bulgarian scientists will train the future space-researches to work with them at the center for training of astronauts in Moscow.

The chairman of the Bulgarian Committee for Space Use and Research gave the following assessment to the Bulgarian contribution in the scientific program: "The experiments that will be carried out and the apparatuses developed by our institutes are in line with the basic directions of the program for space research. We expect original results which will be a contribution to the international space science."

Lukanov Meets USSR's Talyzin, Officials

AU241925 Sofia BTA in English
1844 GMT 24 Dec 87

[Text] Moscow, December 24 (BTA)—Mr Andrey Lukanov, alternate member of the Politburo of the BCP CC and minister of foreign economic relations, paid a working visit to Moscow from 21 December through 24 December, 1987.

He had a meeting with Mr Nikolay Talyzin, alternate member of the Politburo of the CPSU CC and first deputy chairman of the Council of Ministers of the USSR, with deputy chairmen of the Council of Ministers of the USSR and with heads of ministries and companies.

Mr Lukanov discussed matters related to the further broadening of the economic cooperation between the two countries. The participants in the meetings paid special attention to the development of the cooperation in the fields of mechanical engineering, power generation and electronics, and the employment of new forms of joint economic activity.

Ambassador Petrov Reports Vienna CSCE Results
AU241101 Sofia BTA in English
0827 GMT 24 Dec 87

["The Vienna Conference—Overcoming Mistrust"—BTA headline]

[Text] Sofia, 24 December (BTA)—The leader of the Bulgarian delegation to the Vienna CSCE Conference Ambassador Lyuben Petrov comments before the BTA on the results of its work.

In his statement, published in today's dailies, he stresses that the task of the participants in the conference is to specify in agreements the important changes taking place in Europe in the direction of overcoming the accumulated mistrust and that new political thinking is neither an obligation nor a privilege of only one of the sides to the talks. "It is with satisfaction that we have observed its becoming apparent in the actions of the ruling circles of the West", the ambassador points out.

Mr Lyuben Petrov notes the the inconsistency between the official statements of Western politicians and the proposals of some of the delegations of these states at the conference. "If this inconsistency is overcome, the conference may end sooner and its results would give an impetus to the development of the Helsinki process," he said.

In conclusion the interview points out that the treaty banning intermediate- and shorter-range nuclear missiles has made the talks on conventional disarmament in Europe still more actual and has created favorable preconditions for negotiating confidence- and security-building measures. Thus the Vienna conference, which should give a start to these negotiations, is acquiring paramount importance.

Foreign Ministries Hold Talks in Paris
AU241230 Sofia BTA in English
1120 GMT 24 Dec 87

[Text] Paris, December 24 (BTA corr.)—The Ministries of Foreign Affairs of Bulgaria and France held political consultations in Paris on December 23.

The Bulgarian delegation was headed by Mr Lyuben Gotsev, deputy minister of foreign affairs, and the French by Mr Jacques Blot, director of the "Europe" Department.

The two sides discussed the state and the prospects of bilateral relations and exchanged opinions on the most topical problems of the international situation, paying special attention to the East-West relations in the light of the Washington summit.

The talks gave a high assessment to Bulgaro-French relations and stressed that there exist a number of untapped possibilities for promoting them in the political, trading, economic, techno-scientific and cultural spheres.

Discussing international issues, the two sides put forth their stands on the recently signed Soviet-American treaty banning intermediate- and shorter-range missiles.

It was noted that the treaty has set the beginning to the process of nuclear disarmament and the great importance of the forthcoming Soviet-American negotiations on a 50 percent reduction of the strategic strike weapons was emphasized.

The consultations reviewed the prospects for the successful completion of the Vienna Conference, as well as a number of prominent regional problems, the solution of which is of considerable importance for reducing international tension.

The Bulgarian delegation elucidated the peaceful and constructive policy pursued by Bulgaria in the Balkans, her stands on bilateral and multilateral cooperation in this region, the problems around the establishing of a zone free of nuclear and chemical weapons, as well as the ecological cooperation in the region.

Deputy Foreign Minister Lyuben Gotsev was received by Mr Didier Bariani, state secretary at the Ministry of Foreign Affairs of the French Republic.

U.S. Manufacture of Chemical Weapons Viewed

LD272129 Prague Domestic Service in Czech 1730 GMT 27 Dec 87

[Jiri Halousek commentary]

[Excerpts] Why the United States has begun to manufacture a new generation of chemical weapons is the question to be dealt with in the following commentary by Jiri Halousek:

The Soviet-U.S. summit meeting in Washington gave a historic signal to a change in the existing relations between East and West. This is how most commentators the world over assessed the results of the recent talks between Mikhail Gorbachev and Ronald Reagan. They rightly saw their significance not only in the signed treaty on the elimination of two classes of nuclear weapons but above all in the jointly declared readiness to broaden the process of disarmament to cover also other areas—strategic offensive missiles, conventional arms and chemical weapons. As far as the last named category is concerned, in the joint statement issued at the end of the meeting in Washington both sides spoke in favor of the adoption of an effective international convention on their prohibition and liquidation. [passage omitted]

On 16 December, merely 6 days following the conclusion of the summit talks, the United States started to manufacture a new generation of these weapons, the binary weapons. There is no doubt that this step will decidedly not create greater mutual confidence, but on the contrary it will, both by its substance and timing, immediately after Mikhail Gorbachev departed from Washington, undermine it substantionally. The question however remains why the United States has taken such a step. After all, it is precisely in regard to chemical weapons that the distinct possibility of an agreement on their liquidation worldwide is so discernible. Substantial progress has been made of late at the talks in Geneva, attended by representatives of 40 states. Mutual confidence was intensified by the fact that its participants recently visited the Soviet military installations at Shikhany and that Soviet military experts had on the contrary the opportunity to view the U.S. chemical arsenal on the base at Tooele.

In order to justify before world opinion the commencement of the manufacture of binary weapons U.S. officials have been referring to the chemical threat allegedly emanating from the Soviet side. They have been saying that the Soviet Union possesses superiority many times over the United States. As the Soviet Foreign Ministry has stated however, the stocks of chemical weapons in the Soviet Union do not exceed 50,000 tonnes, which corresponds approximately to the stocks held by the United States. Moreover the Soviet Union has been striving consistently at the talks in Geneva to bring about the quickest possible total prohibition of these weapons under strict international supervision, and it has provided an example for all to follow when it has halted its own manufacture of chemical weapons.

Therefore there does not exist any threat from the Soviet side and indeed it has never existed. After all, it was U.S. chemical weapons which were killing innocent victims during the war in Vietnam. The Soviet Union has never used this extraordinarily dangerous device and has never stocked it outside its territory. Despite all this the United States has begun the manufacture of a new generation of chemical weapons. The danger of this step does not lie merely in the very character of the combat chemical substances. This is because the United States has also been encouraging, indirectly, other countries to follow them, thereby issuing a challenge for the commencement of a new round of chemcial arms buildup.

Moreover, while a historic signal to disarmament came out of Washington during Mikhail Gorbachev's meeting with Ronald Reagan, this has been followed immediately from the same place by a hit, which, as it were, would like to question again everything that has been achieved. It is apparent that this is what certain forces in the United States are all about, above all. Yesterday's statement issued by the Soviet Foreign Ministry is in a sharp contrast with such an attitude. The Soviet Union has condemned the beginning of the manufacture of binary weapons in the United States. At the same time it will continue to do everything depending on it to prevent the breaking off of the talks in Geneva on the total and general prohibition of chemical weapons.

Jakes Delivers Report to CPCZ Plenum 17 Dec

AU221527 Prague RUDE PRAVO in Czech 19 Dec 87 pp 3-5

["For the Consistent Realization of the Line of the 17th CPCZ Congress Aimed at Accelerating Economic and Social Progress, at Comprehensive Restructuring, and Deepening Socialist Democracy; Report of the CPCZ Central Committee Presidium Delivered by Milos Jakes, general secretary of the CPCZ Central Committee, on 17 December"—passages in boldface as published]

[Text] Esteemed comrades; at today's Central Committee session we are to discuss important tasks and the party's further course on the implementation of the line of the 17th CPCZ Congress aimed at accelerating economic and social development by means of restructuring, whose main components are the comprehensive restructuring of the economic mechanism and the deepening of socialist democracy.

It is increasingly obvious that this line is correct, vitally necessary, and also realistic. It expresses the aspirations and the interests of the people, and rightly has the active support of the broad public. This was affirmed by elections to legislative bodies, the Congresses of the Revolutionary Trade Union Movement, the Socialist Youth Union, and other social organizations and artistic

unions. This also was affirmed by the entire course of the public discussion on the draft laws, and by the attitudes of party organizations and the broad strata of working people. The way the party and society have been reacting and the way the entire atmosphere has been changing are convincing proof that the new ideas, stimuli, and attitudes have been meeting great interest and expectations everywhere. People associate with them not only the solution of problems and shortcomings with which we are grappling today, but also all prospects of the further development of socialism, which depend to a great extent on how consistently we will implement them in life.

We have accumulated much valuable—our own and international—experience since the 17th CPCZ Congress. On its basis, we have acquired deeper knowledge, and we have made progress in fulfilling and developing the conclusions of the congress. At the fourth CPCZ Central Committee session we decided in favor of restructuring the economic mechanism. At the fifth session last March, we determined the fundamental directions for the course of national restructuring and approved a package of themes to deepen socialist democracy. The centerpiece of the Central Committee agencies' activity in the past months was precisely the fulfillment of these tasks, and drafts of appropriate documents have been submitted to today's Central Committee session.

We are fully aware that their adoption is only the beginning of strenuous work to bring about fundamental changes, which we want and must realize in the area of politics, the economy, social development, and culture, party work not excepted. We are not interested in formal changes, but in steps of great revolutionary impact, in the most momentous changes since February 1948. Their realization will be a longer-term process, in the course of which it will be necessary to test suitable solutions in practice. It will be necessary to proceed purposefully and in an organized manner, not to permit unnecessary delays and the dragging of heels, nor the hasty skipping of stages. The difficulties that we come across today in asserting intensification and in fulfilling the Eighth 5-Year Plan only confirm the need for such an approach. Our Communist Party is the initiator and guarantee of the realization of the necessary changes in harmony with the interests of the people and socialist development.

We see restructuring as a historical necessity and are approaching it in the spirit of the conclusions of the consultation of the representatives of the fraternal parties of the socialist countries in November 1986 in Moscow, which underscored the necessity of ridding ourselves of outdated notions and views, and implementing new theoretical and ideopolitical approaches toward ensuring the further upswing of the socialist society.

We highly value the pioneering role and great international importance of the CPSU activity in elaborating the theory and practice of socialist construction and in renewing and creatively developing the Leninist perception of socialism in the current stage. The program for revolutionary restructuring and the democratization of Soviet society, which the Soviet Communists are implementing in all spheres, including international relations, with such determination and energy, as we witnessed during the recent visit by Mikhail Gorbachev, general secretary of the CPSU Central Committee, to the United States, opens up new prospects for the development of socialism, and the growth of its authority and attractiveness in the world.

We see in them an example and reinforcement, and we draw from them inspiration for resolving our tasks. In this, we see the expression of the traditional international relations with the CPSU and an important prerequisite for deepening our comprehensive cooperation.

Restructuring of Economy Is Decisive [subhead]

Comrades; we approach the restructuring of all spheres of society's life aware of the responsibility for the solution of tasks that time poses to all socialist countries. In this we fully respect the historical experience our party has accumulated, our situation, and our needs. The realization of restructuring is highly topical and urgent. Our society, too, has reached the stage when we must manage its further development better and eliminate everything that retards our faster advancement.

The profound changes that we are beginning to implement express the revolutionary continuity of our party's policy. Their objective is, on the basis of the development of the people's creative potential, to elevate our socialist society to a qualitatively higher level, create conditions for a dynamic upsurge of the economy, for the further growth of the material and cultural standards of the people and for strengthening their social certainties, for deepening our socialist democracy. They also aim at strengthening Czechoslovakia's role within the socialist community, at increasing its contribution to the preservation of peace in the current historical struggle.

In dealing with the issues of the comprehensive restructuring of our socialist society, the crucial point is restructuring the economy to rapidly increase its effectiveness.

We are to discuss exceptionally important documents today: the draft of a resolution on comprehensive restructuring of the economic mechanism that has been submitted to you. We will also discuss draft laws on state enterprises, on agricultural cooperatives, and on housing, consumer, and production cooperatives, amended in accordance with the results of public discussion. All these documents are an integral part of the over-all restructuring of social relations. They are a necessary

prerequisite for the realization of the strategic line of the acceleration of our society's economic and social development by means of intensification.

The existing mechanism of management does not correspond to the demands of intensification. As a consequence, it reduces enterprises' interest in demanding tasks, it has an inadequate effect on satisfying the real needs of consumers and the society, and weakens the initiative of the working people. This, together with other influences, causes us to accomplishing economic growth by disproportionately outlaying resources, and the reaction to the demands of the scientific-technical revolution has been inadequate and inflexible.

Therefore we are striving—in accordance with the conclusions of the 17th CPCZ Congress—to make the new economic mechanism exert effective influence on the intensification of the economy and the growth of efficiency, stimulate a higher performance and the use of the results of science and technology, assist desirable structural changes and our economy's greater involvement in the international division of labor, especially in the socialist economic integration. It must harmonize individual, group, and national interests, ensure deepening socialist democracy, and the working people's participation in the management of the economy. Only in this way is it possible to use the immense advantages of socialism.

We proceed from the fundamental, generally valid principles of socialism, from the social ownership of means of production, from the planned development of the economy, from the distribution according to the results of work, from the necessity of the working people's broad participation in management, from the leading role of the workers class and its vanguard—the Communist Party. It was precisely these principles that were attacked by right-wing opportunists and revisionists in 1968. We do not doubt that today, too, our adversaries wish that the restructuring of the economic mechanism would bring with it the departure from the fundamental principles of socialism. They will not see that, however. In the 1968-69 years of crisis we saw what retreat from the class positions of Marxism-Leninism leads to, and drew a lesson from it.

The comprehensive restructuring of the economic mechanism will mean a fundamental change in the management and planning of the national economy. It proceeds from the generalization of our own experience, from the economic reforms under way, and from the experience of the Soviet Union and the other socialist countries. It aims at consistent implementation and development of both aspects of democratic centralism, at going from overwhelmingly administrative methods of management to economic management methods. Involved, on the one hand, is the improvement and the rationalization of central management. On the other hand, the expansion of the possibility of the working people's direct participation in management, the enhancement of enterprises' independence, their powers and responsibility for the results of their work while implementing the principles of full economic accountability, self-financing, and self-sufficiency. In this connection, the tasks, powers, and the responsibility of the central and enterprises' sphere are being defined anew.

The center's new role is to concentrate its activity on resolving fundamental economic tasks while substantially reducing day-to-day management and dispatching [dispecerske] intervention in enterprises' activity. Determining the basic proportions of the development of the national economy and ensuring its equilibrium, harmony between the population's monetary income and the overall quantity of goods and the extent of services, management of the most important national economic structural and innovatory changes, and Czechoslovak participation in the socialist economic integration must become, in particular, the core of the center's activity. The quality of the creation of the state plan and the guidance of the economic sphere by the center is being fundamentally changed. We are going from the planning of volume indicators over to the planning of the final effect of every koruna spent while radically limiting the number of, in principle, uniform long-term normative rules. Contractual relations will be broadly developed, the role of user and consumer will be strengthened.

More extensive use of the commodity-monetary relations based on a distinct enhancement of the role of value instruments, especially of profit, prices, interest, rates of exchange, credits, levies, and payments constitutes a fundamental, qualitative change in the economic mechanism. The crucial step for enhancing their role is the objectification of wholesale and purchase prices and the restructuring of the system of levies and taxes. These are necessary prerequisites for implementing the principle of enterprises' self-financing, for the gradual elimination of undesirable subsidies, economically unsubstantiated redistribution processes, of everything that leads to the cover-up of waste and everything that makes it possible for enterprises that are doing poorly to live at the expense of those enterprises that are doing well, that are real socialist managers. In this respect, the demands are being substantially raised, particularly on the effectiveness of work in the entire financial and credit system, whose role is being markedly enhanced under the new conditions. As the 17th Congress stressed, retail prices too will be subject to the center's supervision.

Effective management work requires streamlining the organizational structure of central agencies, consequently defining their mutual structures and powers, eliminating duplication of activity and rampant administration. In the spirit of the submitted resolution on the restructuring of the economic mechanism we will reduce the number of the state administration agencies and their management and administrative apparatus while markedly increasing demands on the standard of the apparatus' qualifications and efficiency.

Also, the organizational structure of the production-technical and operational base must be adapted to the requirements of the new economic mechanism and to the general tasks and conditions of the economic development. It is necessary to create, together with the implementation of two-tier management, the scope for various types of enterprises from the viewpoint of size, activity, and setup, which would be capable of flexibly reacting to the changes in economic conditions and consumers' demand. This does not mean that we will abolish all large economic entities whose existence is economically justified and socially useful.

We are testing certain principles of the restructuring of the economic mechanism within the framework of the comprehensive experiment, which will, beginning next year, include economic organizations that are producing almost one-third of overall industrial production. The application of the experiment is also envisaged in construction and trade. Effective 1 January 1988 new management rules will be implemented in public catering and services, and as of 1989, also in the agricultural-food complex. Principles of socialist self-management will be tested empirically.

This is the fundamental economic-political framework of the resolution on comprehensive restructuring of the economic mechanism, which you have received and which will be published after you approve it. But we must realize that this is only the beginning of the road. We are facing a struggle for restructuring, and also against illusions that the new system of management will become effective automatically. It will be a plunge into very tough economic conditions.

We also realize that not everything was bad in the system of management used up until this time, and not everything has to be repudiated. However, what is involved now is new quality, new directions of advancement. Everything is developing, coming to fruition, and in many spheres we will embark upon untested paths, life will correct some of our notions and provide new solutions. In this respect, we consider the submitted document as open-ended. We also must be prepared for the eventuality that not everything will proceed according to our assumptions, that there are also certain risks. However, we are convinced that we have embarked on a correct road, that our course to date will meet with the understanding and support of the workers class and all working people. I think that doing nothing would be the greatest risk.

As of 1 January 1991, we will begin to implement the new economic mechanism fully. Therefore the categorical demand of the immediate future is to draft a program for the transition from the existing system of management to a new economic mechanism and to implement it without delay. We must realistically assess the conditions from which we proceed, the conditions in which our economy finds itself. We must not overestimate the potential for markedly improving them in a short period of time, and we must very responsibly weigh the potential for the real [realneho] application of individual components of the economic mechanism. Only in this way, can we avoid being disillusioned or avoid possible pressure for the restoration of the administrative system of management.

We must not delay in creating conditions for the implementation of the new economic mechanism throughout the entire sphere of economic accountability [chozrascotni]. Already today, enterprises must be figuring out, mapping out, and establishing development strategies, asserting and implementing intra-enterprise economic accountability, putting norms, calculations, and budgets in order, implementing the brigade form of organization of work and remuneration, and strengthening order and discipline.

The People's Broad Participation in the Public Discussion Has Affirmed the Need for Changes [subhead]

The fundamental principles of the new economic mechanism, the extensive powers and responsibility of work collectives for real results of management are enshrined in the drafts of the law on state enterprises, the law on agricultural cooperatives, and the law on production, consumer, and housing cooperatives. The drafts of these laws had been amended on the basis of the results of the public discussion, and after further fine tuning they are to be submitted to legislative bodies for debate. The discussions, whose course we highly value, revealed that the decision to choose this form of deliberation was correct. It made it possible not only to acquaint the broad strata of working people with the draft laws, but also—in particular—to make use of the collective wisdom and accumulate more than 100,000 suggestions and recommendations from collectives and individuals, which were valuable stimuli for their fine tuning, as well as for the overall restructuring of the economic mechanism.

The absolute majority of those who participated in the discussion expressed their full support for the CPCZ policy, and stressed the importance and weightiness of the restructuring of the economic mechanism and the democratization of all spheres of the life of society.

It is necessary to express appreciation for the vital role that the agencies and organizations of the CPCZ, the National Front, the Revolutionary Trade Union Movement [ROH], the Union of Cooperative Farmers, and other social organizations were playing in organizing the discussion of the draft laws and during the discussion itself. It is necessary especially to underscore the active participation of the mass media. We greatly value the positive standpoints of other political parties. We are convinced that we will register equally active attitudes also when implementing these laws in practice.

A similar characterization of the discussion and assessment of the recommendations and proposed amendments of the individual laws has been submitted to you in writing.

The public discussion endorsed the fundamental intentions and objectives of the draft law on state enterprises. Those taking part in the discussion endorsed the need for changes that are in the interest of the intensive development of the national economy and in the interest of increasing the working people's participation in management. It was stressed that the intentions of the law must not be weakened in the course of the realization by additional regulations and edicts. The discussion dealt with all parts of the law. It was influenced by differing levels of the participants' understanding, their professional orientation, by the attitude to problems from the viewpoint of the interests of the participants in the discussion, but also by the continuing old thinking.

A considerable part of the recommendations concerned the insurance of the party's leading role under the new conditions, especially in the sphere of cadre work, and the implementation of the party's right to control vis-a-vis economic management and self-management agencies. Those taking part in the discussion stressed that the success of restructuring rests precisely with the party leadership. Many recommendations concerned the position and role of the ROH under the conditions of the self-managing agencies' activity in state enterprises. The discussion clarified the fundamental issues in this sphere.

The entire sphere involved in enterprise management and in their economic and social activity was extensively discussed. Stress was put on the assertion of economic accountability management in enterprises, the principle of self-management, the improvement of supplier-user relations, and the implementation of a two-tier system of management of our national economy. But there also was much talk about unequal conditions and the need to resolve them in the period of transition. The draft law was amended on the basis of the recommendations submitted in the discussion.

There were more than 14,000 suggestions and recommendations to amend the Law on Agricultural Cooperatives. This law has also met with great interest among the public. Cooperative farmers as well as employees of joint agricultural enterprises have assessed the draft law positively. The primary duty of cooperatives to assure the nation of food and ensure, in particular, the consumers' growing demands for quality, was stressed in the discussion. A number of suggestions and standpoints were also raised on solving some weak spots that negatively influence the process of effective intensification of agriculture, as well as to issues on adapting the restructuring of the economic mechanism to conditions in the agricultural sector.

The Law on Housing, Consumer, and Production Cooperatives, too, was received by cooperatives' employees and the public positively, and accorded an unambiguous endorsement. It was appreciated that employees of cooperatives are regarded as an important component of the unified Czechoslovak economy. A great part of recommendations pertained to the draft law itself. And recommendations on creating external conditions for the activity of cooperatives and the restructuring of the economic mechanism constituted about 40 percent of the recommendations. It was recommended that the position and the activity of cooperatives be defined, especially as regards the development of cooperative democracy and the relationship vis-a-vis the unions of cooperatives and national committees. Unambiguous support was voiced for a two-tier arrangement of the cooperative sphere. The majority of these recommendations has been incorporated into the draft law.

The public discussion, the people's broad participation, their suggestions and recommendations are the display and school of true democratism, of citizens' genuine interest in the ways and directions of our socialist society's further development.

Esteemed comrades; the process of restructuring the economic mechanism will be neither short nor without problems. On the contrary, it will involve seeking new paths, reassessing concepts, and overcoming many obstacles and conflicts. We must not succumb to subjectivism, but consistently analyze and objectively and self-critically assess the results of our own work and draw the corresponding conclusions from them. We stress this in order that some possible failures, errors, and mistakes do not lead to casting the entire system in doubt, because restructuring by itself is objectively necessary and irreversible, and it is necessary to fight consistently and uncompromisingly for its realization. Consistency and principledness is the demand of the times. Difficulties and partial failures must not discourage us. On the contrary, they should rouse us to an even greater effort, activity, and initiative.

We interpret the restructuring of the economic mechanism in the broad context of the restructuring of our society and of the opening up of new prospects for positive, qualitative transformations of our entire life. What is involved is the implementation of the sterling values of socialism, social justice, and genuine humaneness, a dignified contribution of our nations and nationalities to modern history. The Leninist characterization of socialism as the living creativity of the masses applied to the present. It means for us that the true involvement of our people in an energetic creative activity in this stage requires a high level of culture of political work based on the democratic traditions of our party, trust, and respect for the people, their intelligence and critical thinking, but also for their socialist ethics. Thus: we have started on the right foot, but everything is still ahead of us.

Development of Democracy and Socialist Self-Management [subhead]

Comrades; all our steps to realize economic reform are in the interest of the people. Restructuring is the affair of the people. We must win all of society for restructuring. People must know what is it all about, what to expect, and what it will bring them. All measures to perfect democracy and develop socialist self-management, as the fundamental prerequisites for the success of the overall restructuring of our society, concentrate on this.

Democratic traditions are deeply rooted in our people. Socialism has created conditions for their deepening and broad application. The CPCZ policy proceeds from the fact that the socialist system has its innermost, inexhaustible resources for its development in the creative energy, wisdom, and experience of the working people.

The backbone of our political system is the National Front, which was born in the national liberation struggle of our people and has developed into a real power in the period of the construction of socialism. Our political system, in which the Communist Party is the recognized force, reliably ensures the power of the working people, the political and socioeconomic rights of citizens. With its structure and multifacetedness, it is the platform for enforcing the people's diverse interest and needs, for a wide social commitment of citizens regardless of their political appurtenance, nationality, or outlook on the world.

Various forms of bureaucratism represent a great obstacle for the functioning and developing of socialist democracy. Their source are management by directive and excessive centralization, which also lead to the establishment of numerous apparatuses. Bureaucratism is not impersonal, it has to be viewed as the manifestation of certain people, sometimes also of bodies, which by means of orders, bans, and paper work are making people's lives difficult, numbing their initiative, and evoking the feeling of impotence toward the "authorities." All this is at variance with the party policy and is alien to socialism. Bureaucratism must be combated, above all, by developing democracy, the rational setup of state and economic apparatus, the accurate definition of powers and responsibility, and by consistent control, which not only notes shortcomings but also draws specific conclusions.

The CPCZ has determined the line of initiating the necessary changes in the political sphere and overcoming mechanisms that retard society's activity, and create conditions for the full development of people's activity so that they become real and responsible managers at their worksites, in their plants, cities, and villages, and play a part in deciding issues that concern them.

At the March session of the CPCZ Central Committee, we adopted a number of conclusions to fully use the existing forms and possibilities provided by our system, and to develop and evaluate new elements of socialist democracy. When they are implemented in practice, public life revives, topical problems are put forward, and urgent issues on the life and work of the people are discussed.

The measures to expand the powers of enterprises, the self-managed status of work collectives, the role of their bodies, and the electability of ranking personnel constitute a fundamental step toward the deepening and expansion of the sphere of socialist democratism. These are fundamental measures that constitute expanding democracy in the crucial sphere—in production.

The Central Committee Presidium assessed proposals to activate the National Front, at increasing the participation of the organizations associated in it in the creation, realization, and control of policy. We want the National Front to play a greater role in our political and public life, and on this basis, and at all levels, we want the communists—together with people without party affiliation and members of the other political parties and social organizations—to seek and discover the best ways to develop and satisfy the needs of the people in the cities, districts, and regions, throughout the state, and with joined forces striving for their realization. This is so that—as the 17th Congress stressed—"the National Front can even more effectively contribute to the growth of the people's creative participation in the construction of socialism, in management and administration, and to the establishment of the socialist way of life."

We regard it necessary for the greatest possible number of citizens to become involved in public control of the crucial spheres of social life. The better and the more accurately people are informed about the work of enterprise bodies, national committees, and social organizations, the greater will be their interest and ability to contribute to the improvement of work and order in enterprises and in their domicile. Many justified complaints about various shortcomings, favoritism, misuse of functions, and other abuses would then be done away with. Elected officials and agencies of all levels regularly accounting to their electorate is a part of the democratization of political life.

The tasks of restructuring and democratization profoundly concern also the socialist state and its legislative and executive agencies. It is necessary that all agencies of the state administration, at every level, fulfill their tasks. It is necessary for governments to consistently fulfill their constitutional duties and make use of their powers, and bear full responsibility for social and economic development.

Profound democratism arising from the very essence of socialism is integrally connected with strengthening responsibility, order, and discipline in society. When expanding the existing path and seeking new paths of society's democratization and self-management, we

stand firmly on the ground of socialist principles. Any hope of legalizing a political opposition, which could not be anything else but antisocialist, is without foundation.

The overwhelming majority of our society favors socialism. This is the foundation of our people's moral and political unity. This, however, does not mean that uniformity prevails in our society. There exist different interests and differing views in it, and even differences [rozpory]. Our political system makes it absolutely possible for everyone to take part in the creation and implementation of policy in all spheres. It is the expression of political pluralism. Frank discussions on various views and confrontations of viewpoints help to deepen socialist democracy, making it easier to make the right decisions, and unite forces for their implementation. In this lies the fundamental difference between our socialist pluralism and capitalist pluralism.

In some places, the course of restructuring, and especially the new perception of the role of enterprises and the self-management powers of collectives are eliciting questions about the ROH's role. I want to stress that its role not only will not be reduced, but will become even more enhanced, even though it will be implemented in some new directions. The fundamental task of trade union agencies and organizations will be to take care of the social interests and rights of the working people, help develop their initiative, and unite the efforts of collectives for the fulfillment of work tasks.

Trade unions are jointly responsible for making the bodies of socialist self-management reflect the will and interests of the working people. This will be the expression of their role as the school of administration, of management, and of self-management; successful implementation of the ROH's mission presupposes carrying out restructuring in trade union work itself, seeking ways to streamline the trade union structure.

Youth's active participation in the current social transformations fully coincides with the interests of society. Young people have to be approached without courting them, but also without looking at them with haughtiness. All extremes are harmful. We regard entrusting young people with greater responsibility, trusting them, and preparing them for life and work under socialism as being important. The recent Socialist Youth Union Congress was a right step in this respect.

Of fundamental importance for the full development of the task of all social and special-interest organizations is the elimination of bureaucratic methods, formalism, paper work, and ostentatiousness from their lives, and making sure that it is the elected bodies that make decisions in them, that democratic principles are applied when it comes to selecting functionaries and to the effectuation of socialist self-management. A much wider scope has to be created in this respect for the participation of persons without party affiliation and members of other political parties.

When speaking about the National Front, we want to express appreciation for the other political parties. We value the fact that they recognize the leading role of the Communist Party and regard an active participation in the development of socialist society as their mission. The CPCZ regards them as its allies.

National committees face responsible tasks, and must play an important role in economic restructuring, as well as in democratization. In the course of the years, the Central Committee adopted a number of measures to enhance their role, especially in the cities and villages. By their powers, the size of the area they administer and the extent of resources at their disposal they are important components of socialist self-management. There is no doubt that these primary components of state power and administration have done great work, particularly in developing cities and villages when fulfilling the election programs of the National Front.

At the same time, we realize that also in the sphere of restructuring there are numerous urgent issues on the agenda that have to be resolved so that the role of the National Front can be fully developed, so that they can better fulfill their mission to satisfy citizens' needs. Therefore we regard the further strengthening of the position of the National Committees, but also of their responsibility, to be an important component of restructuring. Their potential will be considerably enhanced, and so will their powers regarding the economic and social development of areas, the creation of citizens' better conditions of life in spheres such as trade, health care, transportation, environment, housing, and services.

It will obviously be useful to consider putting some organizations that directly serve the satisfaction of the needs of citizens in the given locality under the management of the national committees: For example, small outlets selling foodstuffs and local facilities extracting and manufacturing construction materials.

Substantial strengthening of the national committees' self-management role requires creating a corresponding income base for them. In contrast to the system in use until now of funding allocations, which was frequently affected by subjective influences and interests, the management of the national committees has to be founded on stable financial resources, such as a share in the remittances of enterprises operating in their area, profits from their own ventures, and purposeful subsidies from the state budget. All this will increase the national committees' responsibility for management, will strengthen the joint interest of the national committees and enterprises in the development of an area and in the creation of healthy life and work environment, and will open new scope for the participation of citizens in decision-making and the evaluation of the achieved results.

It is precisely in the national committees, through which citizens participate in the administration and management of villages and cities, that the elements of socialist self-management and direct democracy come to fruition. Therefore, it is necessary in all activity of the national committees to more energetically develop democratic methods, see to it that important issues are submitted for assessment by the broad public, gatherings of citizens, and work collectives in enterprises. See to it that people are regularly informed about decisions of the national committees, that all their activity literally takes place before the eyes of citizens.

We must not leave the daily worries of the people for a single moment out of sight. We know that in their daily life they come across bureaucratic delays, obstacles, and cumbersomeness when settling their affairs. Also contributing to this is the great number of various instructions, directives, and regulations, which lead consequently to manipulation, with people hampering their initiative. Certain steps to rectify this have been undertaken, but we must resolutely press on.

It is necessary to study the possibility of citizens having the right to ask the court to reexamine an administrative body's decision and to look at making the persecution of officials harsher when they violate the law when dealing with the citizen and causing him harm. The contacts between citizens and administrative bodies would be simplified by the various confirmations and certificates being replaced by citizens' statement of honor.

Legislative bodies have an important place in the restructuring process. The weighty task facing them is to assess and approve laws that will enshrine the continuing changes on the restructuring of our society and, in particular, create the legal basis for economic reform.

We attach great importance to perfecting the activity of the security, prosecutor general's [prokuratura], and juducial bodies, so as to have them consistently fulfill tasks to protect the interests of citizens and society, and fully respect socialist legality in their work. This is the aim of the planned invalidation of the law on lesser crimes [preciny] and the amendment of the law on misdemeanors [prerstupky]. It is necessary to prosecute criminal offenses against socialist property and persons' safety as harshly as possible, and make public the just punishment of those who have grossly violated the norms of socialist life.

In accordance with the conclusions of the 17th CPCZ Congress, work on a new CSSR Constitution has begun. We want the Constitution, proceeding from the state's federative arrangement, to enshrine the fundamental changes connected with restructuring. We want it—as the highest code of our socialist democracy, of the freedoms, rights, and duties of citizens—to correspond with the state of our society at the turning point of the millenium.

The Need to Change Thinking [subhead]

Comrades; the restructuring of society is a new, revolutionary, and unusually complex process. We could hardly realize it without changes in thinking and psychology, without profoundly comprehending its necessity, and without overcoming various stereotypes and habits. As any revolutionary deed, it has its active proponents. But there are also people who will not immediately comprehend its purpose and impact, and will identify with it only after a certain stage, as we go. However, it also comes up against those who—at least inside—do not agree with it, because it disturbs their peace of mind, because they feel threatened by restructuring. And we also cannot ignore the fact that there are people who speculate that restructuring could turn against socialism. Differing attitudes toward restructuring are objectively contingent upon the complex struggle of the new against the old.

The very concept of restructuring, as Comrade Mikhail Gorbachev stresses, rests on the activation of the human factor, on the need to create the most favorable conditions for the development and assertion of the initiative and creativity of citizens and work collectives. Inseparably connected with this is the growth of the role of ideological work—in the first place the mass media's—of mass political work, propaganda, and agitation.

The tasks we are facing in this sphere are obvious from the document that the Presidium discussed and that was sent to members and candidate members of the Central Committee. These tasks concern the immediate future. We reckon that next year, which is so full of anniversaries, this problem in its entirety will be put on the agenda of one of the CPCZ Central Committee sessions. After all, the developments that are ahead of us pose many questions that have to be clearly answered and, in order to resolve the tasks put forward by the times, it is particularly important to unite the party and strengthen the people's conviction that we are on the correct path thatleads to the further development of our country and to the strengthening of socialism.

Restructuring cannot be ordered or decreed; it is not a one-way street. It will be decided by the working people—by their initiative, responsible attitudes and actions. The system of management that we are creating does not rely on the power of orders and administrative measures, but on the indentification of the interests of the individual and the collective with the interests of the state, the socialist society. Seeking new paths to ensure the dynamic development of society, opening up scope for the broadly based initiative and activity of the people, constructive creative activity, a proper moral atmosphere—all this presupposes the intensification and improvement of ideological work and its restructuring. Ideological work must be firmly connected with practice, proceed from reality, be competent, must rely on the results of solid theoretical work, on objective analyses and research. It must pillory everything that is alien to

socialism, it must stimulate boldness in the struggle for its development and help to mobilize the strength of the party and the people for a consistent realization of our policy. Many aspects of the forms and methods of this work must be changed. However, the thing that is permanently valid is the tried-and-tested method of everyday contact with people. One has to know the views of the people, listen to their suggestions, arguments, and be patient in persuasion work. A constant dialogue has to be conducted with the working people.

Particularly the mass media must be active in this respect. They are the platform of the democratic exchange of views and experience of the working people, the platform of the "glasnost" principle, corresponding to the open nature of the party's policy. The Presidium adopted the measure that our public be extensively informed about the activity of the party, the agencies of the socialist state, the National Front, the legislative bodies, and the national committees. The voice of the people, of public opinion, that is mirrored by the mass media, must resound more cogently. We must not be afraid of criticism. One has to react to the mass media's criticism, of course. It is necessary not only to discuss problems, but also to draw the proper conclusions from criticism, help to solve mentioned issues, not to permit the spreading of defeatist sentiments. We have enough strength to overcome any difficulties we come across, no matter how great they are. Of course, we must rely on work collectives and citizens, on their awareness, responsibility, and will to advance, to contribute to the development of society by responsible work. In general, the propaganda sector has to be told that, next to its criticism and courageous exposure of various shortcomings, it must also concentrate more on supporting, popularizing, and asserting good experience and examples of quality work, and pointing out the immense potential of the socialist system.

Press, radio, and television must also pay great attention to international issues, inform truthfully and objectively about events in the world, about what is going on in the Soviet Union and the other socialist countries, about the processes in the capitalist world and the developing countries. They must help to mold the new political thinking of our citizens, lead them to a profound comprehension of the conflicts and complexities of the present times, and the objective laws and demands that these times put on contemporary mankind in its struggle for survival, for social progress and peace. There has to be a flexible and principled reaction to the enemy attacks which, without doubt, will escalate in connection with the 20th anniversary of the events that followed January 1968. There is no reason for us to be on the defensive. Experience, which we have acquired in such a hard way, proves that truth is on the side of the most progressive social system—of socialism, the foundation of which is the power and the will of the people. Our party acts in accordance with this.

The tone of the mass media's activity must be determined by the party press, particularly by RUDE PRAVO. Its word is of great importance in the orientation of our public, in winning over people for our policy. This puts great demands on the RUDE PRAVO editorial team. We are pleased by the great interest in RUDE PRAVO and other newspapers and periodicals. Of course, one also has to make sure they are available always and everywhere. We must continue to pay great attention to the important and influential media, such as radio and television.

We Cannot Be Satisfied With Economic Results [subhead]

Comrades; when we put stress on restructuring the mechanism of the economy's management and already gradually implementing this in the course of this 5-year plan, we proceed from the fact that, in addition to ensuring long-term objectives, it must also contribute to the successful fulfillment of the Eighth 5-Year Plan, especially in its closing period.

We have behind us 20 months since the congress and 2 years of the Eighth 5-Year Plan. Thus, it is possible and also necessary to assess how the congress' line is being implemented, what time has confirmed, what has to be defined, and on what to concentrate attention and energy.

When summarizing the overall results of the plan's fulfillment, we can underscore a number of good results. The greater part of the economic organizations are fulfilling the determined tasks and play a significant role in the creation of resources. However, it would be a mistake to magnify the results. There are quite of few that are not fulfilling their tasks, a matter that makes difficult and often depreciates the work of those who are working conscientiously. External as well as domestic conditions have changed, and one had to and will have to react to them.

The Central Committee Presidium assessed the results. We have the duty to say openly that we cannot be satisfied with them. Even though, compared with the Seventh 5-Year Plan, the results are better and we are, on the whole, successful on ensuring the social program, economic development is accompanied by a number of problems and shortcomings of a subjective and objective nature. The weighty fact is that in the creation of the national income we are not fulfilling the determined tasks.

The fundamental reason for the failure to achieve the growth of national income envisaged by the 5-year plan is the fact that the process of intensification, that is, better use and valorization [zhodnocovani] of production resources and economic potential, has not been mastered. We are not achieving the planned rate of growth of social productivity of labor. The task of covering more than 90 percent of the increase of the national income by growth of this productivity is only being two-thirds fulfilled. The reduction of the consumption of raw and other material and energy inputs is

markedly lagging. The task determined by the 17th Congress—to achieve the reduction of the share of material costs in the value of output by 1.5 percent and energy-intensiveness by 2.9 percent annually—is not being fulfilled.

We are using more material than provided for by the plan and, at the same time, one hears all the time complaints about shortages of materials. The so-called shortage of inputs in a number of enterprise is caused, above all, by the unsatisfactory state of affairs in the comprehensive rationalization of the consumption of production resources, and by the insipid innovatory activity, whether in respect to products or technology. One serious problem is that—as a consequence of the imbalance and lack of harmony between the structure of production and the demands of domestic trade, foreign trade, and investment needs—there has been a great increase in inventories, especially in industry and construction, which increased in the 2 years of the 5-year plan by Kcs21 billion and total Kcs650 billion.

This drains away raw and other materials, energy, and production potential, causing serious problems in supplier-consumer relations. To this day economic contracts have not become an effective instrument for ensuring smoothly running production and satisfying the needs of consumers. However, one also has to note that planning agencies, together with ministries and economic production units, have not consistently resolved the balance and material [bilancni a hmotnou] interlinkage of the plan. The shortcomings in the deliveries of spare parts and in the need to flexibly react to the demands of the market continue.

The fact that there has not been a turn in the quality of production is causing us concern. The results of the quality checks conducted by the People's Control Committees reveal that a considerable part of the shortcomings are the result of the inadequate technical preparation of production and the lack of effectiveness in the internal control system. Neither enterprises nor managing agencies can close their eyes to this. We must not forget that the consequences affect all of society from the viewpoint of satisfying domestic needs as well as from the viewpoint of the profitability of foreign trade.

One of the main reasons why the intensification process is not progressing with the desired speed is that scientific-technical development has not become its basic factor. We dealt with these matters and with our investment policy in detail at the Fifth CPCZ Central Committee session in March 1987. The CPCZ Central Committee Presidium and the CSSR Government have adopted a set of specific, precisely addressed tasks with set deadlines for the realization of the conclusions adopted by this session. The accomplishment of these tasks demands, above all, an energetic approach on the part of the responsible staff in our central agencies, ministerial production sectors, economic production units, and enterprises, and also consistent control along party lines.

The shortcomings in scientific-technical development are adversely affecting the efficiency of our contribution to the fulfillment of the Comprehensive Program for the CEMA Countries' Scientific-Technical Progress through the Year 2000.

The commissions for scientific-technical and investment development must play a far more active role, in close cooperation with planning commissions and ministerial sectors. In keeping with the conclusions of the Fifth CPCZ Central Committee Session, they must speedily ensure greater efficiency in scientific-technical development and rationalization of management in science and technology; and they must stop work on all scientific-research tasks that show no prospects from the viewpoint of the present and future needs of our economy, and where the progress of work to date does not provide guarantees that high technical-economic standards and any practical realization will be achieved.

Despite the clear-cut congress directive (namely, that capital construction must be reoriented from the currently prevailing new construction toward modernization and reconstruction, and that the necessary shift must be made in making the entire investment process more efficient), the means invested in the national economy are not producing the required effect. Capital construction continues to be accompanied by chronic shortcomings. These are particularly apparent in unclear concepts, in the preparation of blueprints and investments, in the failure to set up supplier-consumer relations, in a belated commissioning of facilities for operations, and in the failure to reach planned parameters. During the 2 years of the 5-year plan this has led to shortfalls amounting to roughly Kcs30 billion in production, and Kcs10 billion in profits.

The fact that our construction projects take us too long and are far too expensive has taught us nothing. We have been warned time and again that the process of far too many uncompleted construction projects must be consistently regulated and that this is primarily the task of central planning agencies. Despite this, the budgeted costs of construction projects are still rising: in the course of only 2 years these costs have risen by Kcs14 billion. Together with a far larger number of new projects than planned, this has led to a further increase in the number of uncompleted construction projects and thus also to the freezing of considerable amounts of social means. We cannot be passive while suppliers abuse their monopoly status and demand prices for technological equipment and construction work that do not correspond to the quality and technical-economic standards of what they deliver. Above all, on no account must we permit the construction of planned ecological investment projects to be postponed.

Solving capital construction problems requires a more determined approach to improving its management and eliminating complicated and lengthy approval processes. This is one of the reasons why the investment cycle in

our country takes such an intolerably long time, compared with elsewhere in the world, and why it is therefore incapable of reacting to the latest results in science and technology. The government must speedily adopt measures to rectify this.

We all know that (to a considerable extent) the situation in capital construction is because of the inefficiency found in our construction industry. This is also the cause of time lags at our construction sites, particularly those belonging to industrial and civil construction projects. There is a lot of indifference toward shortcomings in the quality of construction work, toward the need to have more facilities for the maintenance, repair, and modernization of the housing stock and of school, medical care, and cultural facilities, and to enlarge the network of facilities for trade and for services.

The efforts to raise efficiency are directly connected with external economic relations, which have a considerable impact on the creation of our national income. Although overall foreign trade turnover has essentially developed in harmony with the planned tasks, exports to areas with a freely convertible currency and the maintenance of balanced payments with nonsocialist countries are nevertheless a serious problem. The demands placed on exports are greatly increasing. This leads to tension between the resources and the need for freely convertible currency, which is intensified by failure to obtain the planned revenues—particularly from the developing countries. We are spending considerable amounts on exports from areas with freely convertible currency, while we should be mainly concerned with making efficient use of them, and with orienting them primarily toward the latest technologies and techniques in order to speed up scientific-technical development, increase exports, and improve availability on our domestic market.

I am speaking of these matters particularly because many executives behave as though one could resolve the matter of shortcomings and problems only by imports, even at the price of incurring further debts. They have obviously forgotten the sacrifices we had to make in order to get rid of debts.

We must devote lasting attention to the fulfillment of our commitments in external economic relations with the socialist countries, and the Soviet Union in particular.

Our foreign trade must improve its work and deepen its links with production. It still owes a lot to its status as a consumer that provides us with incentives. It has considerable untapped reserves in commercial work, market research and market knowledge, the activities of commercial departments abroad, business enterprise (including the need to improve the activities of its affiliations), and pricing activities. That is why it is essential to speedily conclude work on a clear-cut and well-considered concept of foreign trade activity, aimed at realizing the conclusions adopted by the party's 17th Congress, and to have it adopted by the Federal Government.

An overall view of the results tells us that our state and economic agencies' approach to providing for the accomplishment of the far more demanding tasks of the Eighth 5-Year Plan has not changed as needed. Instead of uncovering and making use of reserves and instead of mobilizing people and overcoming the extensive trends lingering on in the management sphere, in a number of instances they looked for ways to reduce the tasks. However, it must also be conceded that (in our experience) the exacting tasks set for certain sectors, particularly in light industry, did not quite correspond to the actual possibilities.

The appropriate central agencies, including planning commissions and economic production units, are frequently postponing the solution of urgent practical problems. But it is their primary duty to suggest to the government the measures needed to eliminate shortcomings and newly emerging problems—and to do this in time, so that the consistent implementation of these measures can be ensured. We cannot remain passive, while the number of enterprises that are either not fulfilling the plan or have slipped into insolvency continues to grow.

We know that our work would now progress far better, had we removed certain hampering factors in the existing management and planning systems in the past. However, we cannot tolerate, either at present or in the future, the (mostly subjective) causes of criticized shortcomings at the center and in the economic sphere, regardless of whether they concern planning, low standards of direct management, undemanding approaches, indifference, or antisocial behavior such as scheming with regard to the plan, various swindles in reporting results, and other abuses.

The knowledge that is at our disposal shows that many shortcomings are caused by the persistently low standards of conceptual work at the center, in middle management links, and in enterprises. This must be a lesson to us. It is a bad manager who is incapable of projecting things into the future.

Comrades, despite the aforementioned problems, the planned level of all main components in the use of national income is essentially being ensured. The average annual growth of personal consumption during the first 2 years amounted to more than 2 percent, and that of social consumption to more than 4 percent (this year it will amount to more than Kcs12,400 per citizen). This is an important fact; but we must not overrate this development, since it is due to the use of reserves.

Basically, the population's overall monetary incomes are developing in harmony with the figures envisaged for the 5-year plan. However, a number of organizations show a tendency to water down the normative rules for wages. Because of the failure to maintain the adjusted net output, the wage funds were overstepped during the last 2 years by roughly Kcs4 billion, compared with the 5-year plan. The wage increases are only insufficiently linked with labor productivity, with the quality of accomplished work, and with manpower saving. It is impossible to continue in this manner in the coming period.

It is imperative to base the remuneration of every collective and individual on the results and on contributions to the creation of new values, in keeping with the demands set by restructuring and with social justice.

This year we have implemented certain topical measures in the sphere of wage policy to improve the material situation of people working in important sectors of the production and non-production sphere. This year alone the means involved amount to more than Kcs0.5 billion, and the figure envisaged for next year is Kcs1.5 billion.

We are gradually implementing the conclusions of the 17th CPCZ Congress in the sphere of social policy. Significant measures have been adopted for granting social assistance to families with several children and to young married couples; these measures concern more than 1 million young families and we will be spending roughly Kcs0.5 billion more than previously on them. Work has also started on improving the pension system, which should link the extent on the pension far more with the credit obtained when on active duty than is the case now.

We must approach social policy in a far more differentiated manner, according to individual social strata and individual components of the population, and not merely from an overall viewpoint. Certain strata in this country have to make do with only modest means, although they are working honestly, and contributing as much as they are able to the development of our society. On the other hand, we have groups of people who, although giving far less to our society, nevertheless have high living standards. In the interests of social justice, it will be essential to adopt measures against people receiving incomes without adequate working effort, and against efforts to live at the expense of our society.

Considerable problems are at present concentrated in the sphere of our domestic market. Supplies of certain consumer goods to the domestic market have deteriorated, compared with past years. The Central Committee Presidium is alarmed [znepokojeno] by this state of affairs. Both the Federal Government and the national governments must ensure the consistent fulfillment of the adopted measures (they were approved by the Presidium and the CSSR Government in July 1987, in order to ensure the production and imports of consumer goods to improve our domestic market in terms of quality).

It is known that a new system will be experimentally tested in the field of trade as of 1 January 1988; it will be fully implemented in public catering. Its consistent realization requires that all trade enterprises and public catering, but also our producers, show considerable initiative, business acumen, and a spirit of competitiveness in satisfying the people's needs; they must tighten up discipline in their deliveries to our domestic market, and they must consistently fulfill the economic contracts.

The serious nature of the issues and problems I have mentioned here makes it urgently necessary for the whole party and all Communists to undertake an immense effort, totally mobilizing our people's creative forces to solve them and for the accomplishment of tasks that are enormously significant in our effort to accelerate the socioeconomic development of our country.

Consistently Toward Intensification and Thrift [subhead]

Comrades, at our present session we are also assessing the insurance of next year's tasks. In view of the difficulties in fulfilling this year's plan, certain issues are still open. They are exacting, in the sense that we want to adhere to the basic intentions set for the 3d year of the Eighth 5-Year Plan. By approving the plan as early as July 1987, we meant to establish conditions for its good elaboration and for discussing its tasks with the working people. However, it is becoming apparent (and the CPCZ Central Committee Presidium again dealt with this issue yesterday) that ensuring the 5-year plan in the economic plans of economic production units and enterprises is unsatisfactory in quite a number of sectors and branches. As in past years, their draft plans demand a watering-down of the tasks, further investment means, concessions as to the growth of labor productivity, deductions from profit, and so forth, while containing provisions for merely a 1.9-percent growth in the national income.

In the 1988 plan the Federal Government and the national governments have decided to give priority to consolidating the external and internal balance of economic development, over achieving the planned rates. This has forced us to reduce certain tasks of the 1988 state plan for the national ministries of industry and building industry, and for the Federal Ministry of General Engineering. We thus want to establish prerequisites for coping with the set tasks and speeding up the rate of their accomplishment toward the end of the 5-year period.

The government has decided to limit the volume of new construction projects in 1988 by more than Kcs20 billion, compared with the 5-year plan. We must therefore approach very responsibly the assessment of how effective the individual projects are and transfer means to those spheres that will yield the desired effect, while simultaneously benefiting society.

The central agencies, economic production units, enterprises, and plants must strive to ensure the regular accomplishment of planned tasks from the beginning of the year, in terms of both material and of time, so as to contribute to proper order in supplier-consumer relations, adhere to the planned use of high-quality products and their required range, and obtain the best possible volume and structure of stocks (which, according to the government's decision, should be reduced by Kcs24-25 billion by the end of next year). There is only one way to overcome the existing shortcomings—by consistently promoting intensification and thrift. We must immediately project an exacting and constructive approach to the solution of economic problems to our regions and districts and to the lowest levels of production and non-production activity. This requires us to coordinate (in terms of time) the course of party, trade union, and economic agencies. We must therefore create conditions for restructuring our economic mechanism; develop the working people's initiative, socialist competition, the movement of inventors and improvers, and the activity of comprehensive rationalization brigades; and aim them at accomplishing the decisive tasks of economic intensification in the spirit of the initiative launched by the Central Trade Union Council (URO) and the Prague Appeal. At the same time, we must assert remuneration according to the results of accomplished work, tighten discipline, make full use of working hours, improve organization of work, and strengthen personal responsibility. The party's political, ideological, organizational, and cadre work must be also be aimed toward this.

The evaluation of economic results of the first 2 years of the Eighth 5-Year Plan leads to the demand that we specify the contents and priorities of our economic policy in the remaining years of the Eighth 5-Year Plan—naturally, in keeping with the 17th CPCZ Congress. This must form the basis of the mobilization of all forces and means to realize them, while establishing prerequisites for a gradual implementation of the new economic mechanism.

Specifically, this means to concentrate primarily on strengthening the balance of all economic spheres and achieving a rate of growth of national income on the basis of the increasing efficiency of the entire reproduction process, one which will produce no tension in our economy, but will gradually remove break downs in supplier-consumer relations, the imbalance of payments, and structural disproportions on the domestic market, and increase efficiency in foreign trade.

We do not need the national income to grow in a way leading to material and financial resources lying frozen in useless stocks, to large numbers of uncompleted construction projects and uncollectable liabilities that have no impact on satisfying the needs of our population, of all society. This is not economic growth, but a waste of social labor, a depreciation of material and financial resources.

Our economic policy must not ignore for a single moment the need to systematically remove the differences between the level and dynamics of labor productivity in our economy and the developments in the world. This forces us to gradually set up and carry out a feasible selective structural policy program, which must contain a program to develop long-range production sectors, and one to attenuate sectors that are not sufficiently effective and will be replaced by imports. We must not repeat old mistakes: The structural policy must not contain only development programs and demands for resources or lead to excessive ranges of products, increased numbers of job vacancies, insufficient use of production assets, and thus also lower efficiency throughout the reproduction process. We must not procrastinate in realizing these structural programs—today we are deciding on the qualitative parameters of the Ninth 5-Year Plan.

Our development targets must be based much more closely on deeper economic cooperation with the socialist countries. We regard as a priority task the maintenance of the dynamism of mutual foreign trade turnover with the Soviet Union, on the basis of the development of specialization and production-sharing within branches, notably through the development of direct links between organizations of the two countries and through the establishment of joint enterprises and associations.

During the visit of Comrade M.S. Gorbachev, general secretary of the CPSU Central Committee, to the CSSR this April and his talks with Comrade Husak, the decision was reached to work out a long-term concept of economic cooperation between individual branches of our economies for the next 15 to 20 years. Work on this concept is currently under way. Our participation in integration projects is also part of this concept. In future it will have to be geared mainly to the area of manufacturing, in line with the implementation of the Comprehensive Program for the Scientific and Technical Progress of the CEMA Countries Through the Year 2000.

At the 43d CEMA Session held in Moscow this October, in the preparation of which we participated with initiative, the conclusion was adopted to draw up a collective concept of the international division of labor, to restructure the mechanism of cooperation and socialist economic integration, and to improve the activity of CEMA agencies and the CEMA apparatus. The acceleration of socialist economic integration is of vital importance for our country. We must therefore advance faster in the

subsequent period, be it on a multilateral basis or in cooperation with those countries that are ready at a given time for joint integration actions.

The Party's Vanguard Mission [subhead]

Comrades; the important tasks ahead of us can be fulfilled only if all developments and the implementation of all transformations are spearheaded by our communist party. From this there also follow demands on the party itself, on its unity and ability to act.

The requirement to markedly speed up the process of changes in the style of party work to make it conform with the requirements and the spirit of the present times, with the new quality of our society's socialist development, and with the party's vanguard mission applies to all party agencies and organizations. Greater resourcefulness, combativeness, activity, and initiative, coupled with the use of more effective methods of work, must get under way in the entire party organism. Complacency, indifference, and halfheartedness must be wiped out everywhere; communists everywhere must display true zeal in explaining, defending, and implementing the party's policy.

From these viewpoints we must reassess the methods of our work at all levels from top to bottom, starting with the Central Committee and its agencies, down to the committees of primary organizations.

In the economy, in particular, but not only there, many serious problems have piled up that must be tackled expeditiously yet competently. This is not easy, but it is impermissible to mark time and adopt a cautious wait-and-see attitude. This period is one of a great trial of the strength, abilities, and maturity of the party and each individual. Even in the past, more than once we stood before immensely difficult tasks, which seemed scarcely feasible under the circumstances. However, whenever the party followed its mapped out targets firmly and won support for them from the widest groups of the people, it was able to cope with these tasks. This is categorically true also today. Communists do not back away in the face of obstacles, do not yield to backward moods, do not succumb to pessimism but, on the contrary, imbue the masses with consciousness and new dynamism and purposefully convert support for and agreement with the party's policy into a broad drive for the practical implementation of set targets. That is why communists are a revolutionary vanguard.

The assertion of profound changes in all sectors of social life will require immense energy, great tenacity and perseverance, and the necessity to shed various outdated schemes and to overcome—also in party work—manifestations of inertia and formalism, administrative methods, simply, everything that has become obsolete and slows down our advancement.

The openness of policy, widespread information, democracy, and control are the basic prerequisite of the party's successful activity and of its operation as a vanguard. Communist ethics and adherence to principles are moving to the forefront among the priorities of our policy. We must consistently resist all manifestations of lack of principle, everything that conflicts with the ideals of socialism, which give a boost to and unite all those who work for the cause of socialism and who sacrificed much of their lives to it. People must be approached with trust, must be spoken to, must be consulted, their knowledge must be relied upon, their views must be responsibly taken into consideration, and problems must be tackled with their participation. It is necessary to conduct a dialogue with the people and not to dodge any questions and views that may come up in that process. Naturally, they should always receive a competent reply, which should help everyone find a correct orientation in the process of great changes that we have launched.

The political guidance of society presupposes a reinforcement of the role, initiative, and responsibility of state and economic agencies, of the agencies and organizations of the National Front. Party agencies and organizations must not take over their responsibilities, nor must they tolerate attempts to submit everything to them for blessing, so to speak. However, under no circumstances does this mean that they can shed their responsibility for the situation in the national economy and in other sectors. It is not to supplant, but rather to bear responsibility that seems to be complicated. From this task follows the necessity to develop instruments of political guidance and to use such methods in applying the party's leading role as will ensure a purposeful channeling and concentration of the resources of all elements of management on the attainment of set targets. Party agencies and organizations must operate primarily in those sectors where the party is irreplaceable—in political and ideological activity, in the formulation of concepts, in supervising the implementation of resolutions, and in cadre work.

Our era applies higher and, in many respects, new standards and demands to all cadre policy, based on the tried-and-tested Leninist principles. In view of the importance and weightiness of the questions connected with cadre work, we are submitting to the Central Committee for assessment the draft of a resolution that sets forth in accordance with the needs of the present stage tasks and criteria on the selection, training, and deployment of cadres.

The nature of tasks in the current momentous period confronts our cadres with the need to approach very competently, with initiative, and energetically the solution of fundamental questions on accelerating socioeconomic development, restructuring, and democratization. In party agencies and organizations, even more comprehensive support must be given to those who approach the tackling of current and prospective tasks with great political responsibility and courage. Where, on the other

hand, only promises build up with no practical steps forthcoming, where an aversion to changes in work is apparent, it is necessary to vigorously draw appropriate conclusions.

By deepening democratic principles, consistently applying collectiveness in selecting and deploying cadres and the election of senior managers, and making broader use of competition [for managerial posts] we are aiming at filling posts of responsibility with people who are competent and efficient, devoted and honest, dedicated to socialism, and who command authority in the work collectives and public. Among the important features of cadre work is the bolder elevation of nonparty members and members of other political parties, next to communists, to posts of responsibility. Special attention must be devoted to increasing the proportion of women in managerial posts. We have stressed this on several occasions, but not everywhere are we successful.

Extraordinary attention must be focused on the preparation of cadres, on their ability to work under new conditions. It is also necessary to improve the selection and education of young talented staff at every level and to see to healthy exchanges of cadres more purposefully and thoughtfully than to date. It is therefore important to establish conditions for a continuous influx of new forces to managerial functions in the party and other sectors, and for the requisite continuity in work.

We ascribe fundamental importance to public control of the activity of cadres. It is necessary to ensure the consistent implementation of a principle that is inseparable from socialist democracy—that each functionary and manager renders account for his work to the relevant party agencies and organizations, work collectives, and voters. Wherever this is not the case, the danger arises of subjectivism, erosion of individual functionaries' responsibility, haughtiness, and disregard for people's views, experiences, and comments. We must be far more vigorous in forestalling phenomena, on which the CPCZ Central Committee Presidium adopted a clear standpoint in its letter of March 1983.

We must also constantly bear in mind that the relations taking shape in the party on the basis of democratic centralism, good organization, party discipline and, at the same time, internal party democracy strongly determine the party's quality, its ability to enact its leading role in line with the requirements of the time. In many ways they also predetermine the atmosphere in all society. That is why it is so important to establish much more consistently in all party agencies and organizations the conditions for the communists' wide-ranging participation in solving problems, for the exchange of experiences, and for the unification of views on key problems of party policy and the method of dealing with them. A businesslike and open-minded attitude, great exactingness, and responsibility must characterize internal party life in all party agencies and organizations.

Connected with this is the need to ensure a wholesome, critical atmosphere everywhere. No one, no matter which post he occupies, can lay claim to immunity to criticism, apply double standards, and dodge control and accountability for his activity. A situation must not be permitted in which those who point the finger at malpractices do not reconcile themselves with shortcomings, with anything that harms the party and the socialist society, who blaze new trails, are silenced or even harassed. However, on the other hand, various attempts to misuse democracy for demagogy, the assertion of personal interests, and the incrimination of honest people must not be tolerated either.

The Leninist principle of the collectiveness of leadership must be consistently applied and promoted in the activity of all party agencies and organizations. This requires, above all, a further enhancement of the role of their plenary sessions and members meetings. What matters is that questions of principle should be brought up at party sessions and that collective knowledge, experiences, and suggestions, the views of the working people, and the problems that worry them should be projected at these sessions. It will also be appropriate to consider ways of further strengthening and enhancing the participation of members of elected agencies in the preparation of important decisions, ways of promoting their level of information, and of increasing their specific assistance in coping with complex problems at workplaces and in localities.

As regards the political and managerial activity of party agencies, it is also necessary to clearly increase the quality and effectiveness of party control and consistency in translating party resolutions into life.

The requirements of restructuring and of the further democratization of society also call for an improvement in the work of the Central Committee and its agencies in many respects. The need is becoming apparent for the Central Committee to meet more often. It is desirable to reinforce its control function, so that responsible senior officials render account to it on their work. This applies to party agencies at all levels.

Exacting standards must be applied everywhere to the efficiency of party deliberations, as well. Token and useless activities that divert people from their work tasks must not be permitted. The criticism being voiced in this regard is fully warranted.

The requirements on improving the style and methods of work that we are discussing apply fully to the entire party apparatus, starting with the apparatus of the Central Committee. It is primarily the members of this apparatus who should promote creative thinking and new approaches. At the same time, it must hold true everywhere that the party apparatus must not supplant elected agencies. Its activity must be consistently cleared of

manifestations of departmentalism and paper-pushing and directed toward authentic contact with Communists and supervision of the practical implementation of party resolutions.

An important task on which we must continuously focus great attention is the reinforcement of the role of primary party organizations and the enhancement of their ability to act. This is where problems connected with the implementation of the key problems of party policy are concentrated in a tangible, practical form. In particular, primary party organizations must be assisted in assimilating the style and methods of work that are commensurate with the changes brought about by the gradual implementation of the restructuring of the economic mechanism and by the expansion of socialist self-management. The enhancement of the enterprises' independence, responsibility, and legal powers must make party organizations engage in a continuous critical analysis of the fulfillment of tasks by all economic and other organizations within their sphere of activity; they must analyze whether these organizations respect national interests and ensure tasks in conjunction with an active social policy and with the assertion of social justice.

It is necessary to improve the management of party organizations and to see to the growth of their ability to work independently within their sphere of activity and to find correct orientation even in the most complicated situations.

Systematic care for improving the quality of party ranks on the basis of great demands on the class-consciousness, political maturity, and exemplary conduct of Communists, on their industry, integrity, dedication, and moral qualities, is one of the key tasks of all party agencies and organizations.

The party now has over 1.7 million members and candidate members. This is a tremendous force, but we do not conceal the fact that not all of them are fighters for the party's policy. The party does not need token members. Its strength lies not in numbers but in the quality of its members. Passivity is incompatible with membership in the party because it weakens its ability to act. We consider it appropriate to also emphasize today that the care for a consistent observance of party statutes, for the continuous reinforcement of the party's political, organizational, and ideological unity and moral authority in the process of specific struggles for the implementation of current tasks, is one of our foremost obligations.

Comrades; throughout the party the present period is one of preparations for the annual members meetings and party conferences, which are to be held in the first half of next year. The Secretariat of the CPCZ Central Committee, the CPSL Central Committee, and regional and district committees must ensure that they take place in a creative spirit, in an atmosphere of wide-ranging internal party democracy and utmost party responsibility for the consistent implementation of the restructuring of the economic mechanism and for the democratization of social life.

At all annual members meetings and conferences, an honest and truthful reply must be given to the question of whether the approaches applied by party agencies and organizations conform with the new tasks. The meetings and conferences must responsibly assess what has acquitted itself well and should be continued, what has become outdated and must be changed, what measures must be taken to achieve better results. The Central Committee expects the annual members meetings and party conferences to mobilize all the powers of the party for a consistent fulfillment of the tasks of the 1988 plan. It is also essential at all levels to approach with utmost responsibility the selection of cadres who are capable of vigorously asserting the party's strategic line. This is also the aim of the deepening of democratic principles in forming newly elected party agencies. The annual members meetings and party conferences will determine whether these will be elected by secret ballot or by public voting.

Every effort must be made everywhere to unite all party forces so as to ensure the conclusions of the Central Committee, enlist the working people for their fulfillment, and achieve the set tasks in firm unity between the party and the people. It is primarily the results of the Seventh Session of the CPCZ Central Committee that must become the contents of annual members meetings.

Our Contribution to the Efforts for a Peaceful World [subhead]r

Comrades; questions of domestic policy are not the only focus of the activity of our party and the socialist state. Our life and our efforts are influenced by international connections as well. All our plans can be implemented only under the conditions of peace. This is also the direction in which we orient Czechoslovak foreign policy, which we coordinate with the foreign policy of the Soviet Union and other socialist countries.

One of the main features of current international developments is the growing influence and broad peace offensive of the world of socialism. The processes of acceleration and restructuring in the Soviet Union and the socialist community as a whole are important not only from the domestic political viewpoint, but they are also of tremendous international significance. The socialist countries' policy is acquiring a new dynamism under their influence. Socialism has drawn fresh breath, so to speak.

The most conspicuous expression of this is to be found in the key area of international policy, in the struggle to stop the arms race, avert the threat of a nuclear war, and

strengthen peace and international security. Scientific-technical progress in the development of weapons jeopardizes the very existence of mankind. New approaches and new political thinking are therefore essential to find a way out of this in our mutually interconnected world.

Precisely that is the focus of the peace program of the 27th congress of Soviet Communists, which has found its expression in the proposal to set up a comprehensive system of international peace and security. It has received the unequivocal support of our party, the entire socialist community, and peace-loving forces of the world at large. The coordinated political and diplomatic efforts of the socialist countries thus obtained a clear action program, which has increased their influence and authority in the world. Even today it is possible to refer to positive results. The trend toward exacerbation of tension has been stopped, a breakthrough in nuclear disarmament talks has been achieved, the process of reinforcing security and cooperation in Europe has been preserved and further strengthened, and a fruitful dialogue has evolved between states with different social systems and between various political forces on our continent and on a worldwide scale. The preservation of peace is becoming the concern of the broadest popular strata. The most important progress has been the accomplishment of a Soviet-American treaty on the elimination of two classes of nuclear weapons, which was signed during Comrade Gorbachev's visit to Washington last week. It is a success of the consistent and constructive policy of the Soviet Union, a success of the entire socialist community, of all the realistic forces throughout the contemporary peaceful and democratic world. Yet it is just a beginning.

Together with the nations of the whole world, our people welcomed this historic agreement as a victory for reason and political responsibility. It is on behalf of our people that we once again express acknowledgement for and gratitude to the CPSU, the Soviet Government, and Comrade Gorbachev personally for their energetic course of action, perseverance, and boldness in asserting new thinking and new approaches to the solution of the most burning problems of contemporary world.

As is known, Czechoslovakia was actively involved in the efforts to achieve that agreement. We fully supported the Soviet Union's course of action in its negotiations with the United States. After all, the security and the interests of our state are also directly affected. The agreement also comprises the elimination of Soviet operational-tactical missiles that were deployed on our territory in response to the deployment of American intermediate-range missiles in Western Europe. That is why we expressed our readiness to accept unavoidable verification measures on our territory. The respective agreement with the Soviet Union was signed during the meeting of representatives of the fraternal parties of the Warsaw Pact member states in Berlin where Comrade Gorbachev provided information on the results of his talks with President Reagan.

It was stressed at the Berlin meeting that the understandings reached in Washington establish better prerequisites for limiting the arms race. It is important that the process of disarmament should continue, especially in the area of strategic nuclear weapons. A key task is to prevent the militarization of space. It is also necessary to achieve tangible results in talks on a general and complete ban on chemical weapons and in reducing conventional weapons.

In this situation we realize even more the necessity of dynamizing our own contribution to the struggle for easing international tension, disarmament, and strengthening international security. The joint initiative of the CSSR and the GDR aimed at establishing a zone free of nuclear and chemical weapons in central Europe has met with great response. We are consistently asserting this initiative and seeking support for it. Together with the Warsaw Pact allies we seek the reinforcement of the all-European process, the building of firm foundations for the common European home. At the Vienna follow-up meeting we seek the establishment of a platform for reducing armed forces and conventional armaments in Europe. Next to military-political issues, we also devote great attention to the other aspects of the all-European process—economic, ecological, and humanitarian. The transfer from armament to disarmament in all types of weapons and from confrontation to long-term and stable relations in the fields of economy, science, technology, and culture, and the promotion of broad cooperation on the basis of equality and mutual advantage free of any forms of discrimination—that is the basis of the foreign political program of the 17th congress of our party. We shall continue to implement this program thoroughly.

The Main Tasks of the Party and Society [subhead]

Esteemed Comrades; in approving at the 17th congress the program of socioeconomic development for the next 5-years with an outlook through the year 2000, we realized that complicated and difficult tasks were in store for us. However, the setting of easily attainable targets would not accelerate, but slow down our advancement.

We have referred today to a number of problems that must be dealt with without delay. We are not seeking new approaches because not everything that we have done so far has been bad. When we compare developments in our country with developments in the world, we see that our people are shielded from the great uncertainties, social shocks, and strains that so heavily weigh down on the working people in capitalist countries, including the most advanced of them. The fact that our country marches in the front ranks with those who fight for peace and social progress, for the happy life of man, can fill us with communist and patriotic pride.

If we analyze today critically what we have attained since the congress, we do so because we could have left behind us a greater section of the path, because the results could have been more distinct. What we need today is, metaphorically speaking, that the party engine revolves at a greater speed.

The recent celebrations of the 70th anniversary of the Great October Socialist Revolution in Moscow made a profound impression on us. We realized once again how forcefully the legacy of October speaks to the present. It is a continuously valid, inspiring challenge to our times.

We have also realized once again the greatness and the wisdom of the founders of the CPCZ, who provided our party with a clear direction—to follow the path mapped out by V.I. Lenin. It has not been an easy, paved road. Every step ahead had to be fought for and, sometimes, a dear price had to be paid for it. Our party has in its history glorious as well as agitated [pohnuty] periods. It has scored great victories, but it has not steered clear of mistakes and errors either. However, Communists have demonstrated invincible strength, dedication, and the ability to make sacrifice in the struggle for a better future of the people. Their strength and conviction derive from their loyalty to Marxism-Leninism, from the ability to apply and develop it creatively, from their dedication to the cause of the workers class and the people, to the ideals of socialism.

The present period, which we rightly call the period of a turning point, confronts the Communist Party with new, even greater tasks. Their successful implementation will not be possible without creative search and without actively coming to terms with the new requirements. We must overcome everything that has become outdated, all kinds of prejudices, stereotypes, and inertia. Everyone matters, everyone has a chance to contribute his share to an accelerated progress in implementing the program of the 17th congress.

We consider the following to be the main tasks, on which the efforts of the party and society need to be concentrated:

First. On mobilizing all forces and developing the initiative and activity of the working people with a view to meeting the plan for next year, which is crucial for the entire Eighth 5-Year Plan, for the generation of resources to ensure the conclusions of the 17th congress in the area of economic and social development and in raising living standards.

Second. On consistently implementing the tasks connected with putting into effect the restructuring of the economic mechanism and on establishing conditions for the phased introduction of this mechanism in the closing years of the 5-year plan and for its full application in preparing the Ninth 5-Year Plan.

Third. On resolving with utmost responsibility the tasks that are connected with the restructuring of the other areas of social life, with the deepening of socialist democracy, on purposefully promoting a wide-ranging and creative activity of the National Front.

Fourth. On comprehensively developing the party's political, organizational, and ideological work and raising to a qualitatively higher level the style and the methods of its activity from the Central Committee down to primary organizations so that they conform with the requirements and conditions of restructuring and with the deepening of socialist democracy.

Fifth. On continuing to make an active contributionto strengthening the unity of the socialist community and friendship with the Soviet Union, to the historic struggle for the preservation of peace, and to the support of all peace-loving and democratic forces of the world.

Comrades; we will soon celebrate the 40th anniversary of the victory of Czechoslovak working people over the reaction in February 1948. The best and most noble way of expressing our attitude to this key event of our modern history is honest and selfless work in every sector of the national economy, in all areas of social life. Our greatest wealth lies in competent and industrious people who are dedicated to socialism. All the outstanding successes that we have achieved in building and developing socialism in our country are associated with their work initiative and, literally, their heroism. We must build on these glorious traditions of shock-work. The revolutionary bequest of February commits us to this.

We are following the path of an honest policy, of a policy of openness. It is on this basis that we shall strengthen our party's unity and its ties with the broad strata of the people. We are confident that the entire party and its agencies and organizations, every party member, the entire National Front, state and economic agencies, and all working people will exert their efforts to meet the tasks that are ahead of us, and which are not few in number.

Government Discusses Restructuring, Penalties

AU251454 Prague RUDE PRAVO in Czech 22 Dec 87 p 1

[CTK report: "On the Session of the CSSR Government"]

[Text] Prague (CTK)—At its session on Monday [21 December], the CSSR Government discussed the Directives for Ensuring the Comprehensive Restructuring of the Economic Mechanism. They constitute a composite package of economic, systematic, methodological, organizational, and legal rules, which take into account the preparations of the laws on state enterprises and on the production, consumer, and housing cooperatives, and which concretize the envisaged changes in the planning

and management of the price, financial, and wage policy. In the directives there is also enshrined the role of the center and enterprises, intentions regarding the management and the organization of the nonproduction sphere, and rules for other spheres of economic mechanism.

The directives determine the central agencies' and economic organizations' tasks in furthering the restructuring of the economic mechanism and are, at the same time, the basis from which the amendments to laws and other legal norms and the invalidation of still valid but outdated regulations must proceed.

The envisaged course of the restructuring with tasks and deadlines, in accordance with which individual measures in the preparatory 1988-90 period will be realized, is also a result of the directives, too.

After the discussion of the directives, it was decided to make use of the suggestions and recommendations that the latest CPCZ Central Committee session made and submit to the government in January 1988 the final draft of the Directives for Ensuring the Comprehensive Restructuring of the Economic Mechanism.

The government also assessed a program of practical and systemic measures to create the necessary conditions to ensure the economic conclusions of the 17th CPCZ Congress. At the same time the government stressed the importance of consistently fulfilling of the tasks of the Eighth 5-Year Plan for the commencement and the purposeful realization of the restructuring of the economic mechanism, whose purpose is the intensification of the national economy, faster growth of the national income, and the all-round development of society.

In connection with the assessment of economic results, the government studied the quality of Czechoslovak products. It noted that despite the measure that have been taken, the ensuring of exports and supplies of quality products for the domestic market is unsatisfactory. In order to eliminate shortcomings arising from the nonobservance of technological discipline and inadequate control of the production process, and to achieve a marked improvement in quality, the government passed a decree providing—in addition to earlier measures—for an extra payment to the state budget equivalent to real losses caused by poor quality production, minus internal losses from shoddy production, as of 1 January 1988.

State economic organizations are liable for the extra payment, which has to be paid by 15 February at the latest following the end of the calendar year in which losses from shoddy production occurred.

Dissatisfaction With Slovak Enterprises

AU172105 Bratislava PRAVDA in Slovak 16 Dec 87 p 1

[Editorial: "Reaching Deeper Into Untapped Resources"]

[Text] According to the information coming from regions and districts, the public is exceptionally interested in reports on the sessions of the CSSR Government (and other bodies), and when it has suggestions, they only are of the kind that in some cases these reports should be more specific. Although no one has said what subjects this wish applies to, one of these wishes forces us to go back to the report of the CSSR Government published on 4 December. Even the introduction to this report notes that the development of the economy this year is not what we needed. It has not been successful in fulfilling the tasks connected with the intensification of the national economy, and the quantity and structure of deliveries to the domestic market is unsatisfactory, which leads—in view of the faster growth of incomes—to the demand for some types of products remaining unsatisfied.

The report on the session of the CPSL Central Committee Presidium, which notes shortcomings in satisfying consumers' demands, particularly as regards choice, had a similar tenor.

The criticism of the disproportions in the national economy is along general lines, and thus concern might arise that it will be taken lightly in some places. We can, for example, see the trend toward this from the fact that many people are excusing their failures, above all, by breakdowns in the supplier-user relations, but are carefully sidestepping the question of how they themselves are fulfilling their obligations toward others and all society. However, "sins" cannot be concealed, any disruption in linkage by one vis-a-vis all and vice versa immediately elicits a chain reaction of difficulties. We can verify this by the current market situation. Trade is unable to satisfy all the demands and wishes and becomes the lightning rod for dissatisfaction. Our intention is not to act as trade's advocate, but it would not be fair to blame it for something which others are to blame for, for those who did not produce what they were supposed to produce in workshops, plants, and enterprises. Their backlogs are considerable...

One should enumerate now the enterprises and economic production units which have the right to be an example, because it is mainly due to their merits that the economy has maintained its dynamism. However, the situation forces us to focus our attention on the problems mentioned in the aforementioned CSSR Government report. We can illustrate them with a few figures: We have not succeeded in reducing costs to the determined extent; the profit shortfall in the past 10 months constitutes Kcs5,8 billion (after all, this money must be missing somewhere!); enterprises' inability to pay bills totals Kcs35 billion; wages "had run away," their envisaged growth this year amounting to Kcs5,4 billion had been more or less exhausted in the preceding three quarters of the year when they rose by Kcs4,8 billion. These are alarming data. Even a person whose interest ends with calculating his own wages must comprehend their significance.

We do not succumb to the illusion that the end of December will bring a substantial turn, but we must make use of every hour, exert our energy, reach deeper

into untapped resources and ensure a successful beginning of the new year that makes assets grow in its course, and each day adds a new brick to the construction of pillars carrying the link to a radical reform of the economic mechanism.

The tasks of the next year are demanding. In the past we were frequently unrestrained with the term demanding, employing it more often then it was necessary. This time it is meant most seriously. How we will manage and what is ahead of us depends in the last instance on the growth and the quality of the standard of living. The 1988 implementation plan has been made-up in such a way as to make the national income grow, in the spirit of the intentions of the Eighth 5-Year Plan, 3.5 percent compared with the amended level of this year's plan! The personal consumption of the population is to increase 2.3 percent and, of course, increased social consumption is envisaged.

There is no doubt about the good will of the people in workshops and offices. They are saying: ensure material, organize production better, remunerate according to merit, and things will begin moving. These are not just words in the wind; the initiative of the working people knows no bounds. However, we must voice doubts that all economic production units, enterprises, and plants—especially those grappling with difficulties—have already opened wide their gates to initiative and reached for the untapped (and often concealed) resources. Proofs are at hand. Should state agencies accede to the proposals of some enterprises and economic production units on how they intend to participate in the creation of the national income next year, its level would be Kcs14 billion lower than we need. The planned deliveries to the domestic market would drop Kcs10 billion, but the population's purchasing power would rise by additional billions. The number of unfinished projects, too, would increase, and the effect of foreign trade would be reduced. Organizations managed by the Ministry of Industry of the Slovak SR, too, are among those who would like to "contribute" in this way to the deficit of the Eighth 5-Year Plan.

The party and state bodies cannot tolerate these evasive maneuvers, otherwise we would have to fundamentally redraft the entire national economic plan for the coming year and make changes in the concept of the 5-year plan. Do those who are developing pressure to the contrary realize this? And when not, let them appear before collectives which they manage, and tell them openly these maneuvers are at variance with the social interest, and in what respects. They will certainly get no applause, but will be avalanched with questions on why they are not more earnestly seeking solutions with their help.

The CSSR Government could not keep silent on the manifestations of negative attitude toward the 1988 plan. In the interest of rectification, the CSSR Government, as well as the national governments and the State Planning Commission, have adopted a number of measures. Details about these measures are unnecessary; they will be conveyed "down through official channels" along the pyramid of management. It would be more useful to pause and ponder the discrepancy between the views of experts from planning commissions and a part of the economic sphere. The first claim that our national economy posseses considerable untapped resources and are proving this with analyses, the others claim that it has reached the limit of its possibilities.

Let facts be the judge... Whereas in the past 2 years we succeeded in reducing the proportion of costs in output only by 60 percent of the planned task, in the nonsocialist world the energy-intensiveness alone has dropped in the past 10 years by 20 percent, and in the industrially-advanced countries by more than 25 percent. The case with the standard consumption of steel, nonferrous metals, and other raw materials is similar.

The conclusion? If our economic sphere would concentrate less on volume indicators and more on quality indicators, we would be able to record a more positive trend in the entire process of cost-intensiveness.

Regarding the upsetting of the ratio between the volume of wages and the rest of the indicators, not many muster the courage to sue the center [zalovat centrum]. Enterprises and economic production units also have enough powers to put this in order. It is also necessary to work more energetically on the improvement of norms, a matter that proceeds slowly, as for example Frantisek Hrudal, leading secretary of the CPSL District Committee in Cadca, has noted in an interview with PRAVDA. A disproportionate absenteeism, too, is nibbling away at our pie.

Opponents could fault our editorial for ignoring objective difficulties. Yes, they do exist, they retard our advancement, but not everything that is being passed off as objective is really objective. The Basalt Foundry in Stara Voda, too, could use objective obstacles as an excuse. The demand for basalt pipes which the foundry sells abroad has decreased and, on the other hand, the interest in basalt tiles has increased. The capacity of the production equipment reached the limit. Instead of lamenting, they put their heads and hands together, built an additional production line with their own resources and increased the export of tiles by Kcs4,75 million in all-charges-paid prices.

It will not be that easy everywhere, but everywhere there are capable and willing people, just pick them and ask them to help.

A remarkable suggestion has come from the CSAO enterprise in Lucenec, where they directed the analysis activity not only to the past (as is the habit), but with its help they are figuring out how to create conditions for fulfilling new tasks, creating allocations, norms, and so on.

Specific examples have one disadvantage; not one of them can be recommended in identical form to another enterprise, but they have something in common after all: They confirm that he who wants and knows how to go about it, can move mountains. The aktiv of functionaries of the CPSL District Committee in Cadca, too, leads the management sphere politically in that direction. It regularly discusses the development plans of enterprises and plants in the CPSL District Committee Presidium and in the economic commission, generalizes experience, and consistently checks the fulfillment of entrusted personal tasks.

For the sake of thoroughness it is necessary also to mention the existing system of management. It has been the subject of considerable criticism, but now, instead of repeating it, it is necessary to make use of all the possibilities it has at its disposal, and make the role of value instruments, and enterprises' and personal incentives more distinct. The most important of these possibilities is the economic accountability which, as the Soviet experience stresses, is the key question of the economy today. The process of intensification requires developing intra-enterprise economic accountability in all organizational levels and bringing down its principles all the way to individual work collectives.

How are we to conclude? With the reminder that without exception all have endorsed the planned restructuring of the economic mechanism. It is high time to affirm this endorsement by actions.

Agreement With U.S. on INF Inspection

AU281346 East Berlin NEUES DEUTSCHLAND in German 24 Dec 87 p 1

['GDR-U.S. Agreement on Inspection Reached'—NEUES DEUTSCHLAND headline]

[Text] Berlin—The governments of the GDR and the United States have reached an agreement on the implementation of inspections on the territory of the GDR, which are provided within the framework of the Soviet-U.S. treaty on the elimination of medium- and shorter-range missiles. GDR Deputy Foreign Minister Kurt Nier and U.S. Ambassador to the GDR Francis Joseph Meehan carried out an exchange of corresponding notes to this purpose on Wednesday [23 December].

In his talk with the ambassador, Kurt Nier noted that with the conclusion of the 11 December trilateral agreement with the USSR and the CSSR and with the agreement with the United States, the GDR has created for its part important preconditions for a speedy realization of the medium-range missile treaty.

The agreement between the United States and the GDR grants U.S. inspectors and their escorting personnel the right to undertake the fulfillment of the stipulated verification [kontroll] tasks on GDR territory. The agreement between the GDR and the United States will come into force simultaneously with the Soviet—U.S. treaty.

Kleiber Meets Romanian Minister Dinu

AU241257 East Berlin NEUES DEUTSCHLAND in German 23 Dec 87 p 2

[Text] Berlin (ADN)—Guenther Kleiber, member of the SED Central Committee Politburo and deputy chairman of the Council of Ministers, met Gheorghe Dinu, minister of heavy equipment of the Socialist Republic of Romania, on Tuesday [22 December]. The interlocutors stressed that in the field of heavy machinery and installation construction the good cooperation of many years between the two countries is also being purposefully extended and deepened. One thing on which this focuses is further developing specialization and cooperation in science and production, for example, in the sector of metallurgical equipment, open-cast equipment, and fittings. Here special importance has to be attached to high efficiency, quality, and reliability, as well as to the high scientific-technological standard of the products.

Demonstrators Dispersed Outside Romanian Embassy

LD260936 Hamburg DPA in German 1726 GMT 25 Dec 87

[Text] East Berlin (DPA)—The attempt by a group of GDR citizens to affirm their solidarity with the Romanian people, who are suffering under a serious economic crisis and political conditions, was stopped by police outside the Romanian Embassy in East Berlin on Christmas Day. A dozen members of independent groups had gathered outside the embassy in Pankow borough and lit candles which were, however, immediately extinguished by police.

The young people, among them the dissident balladeer Stephan Krawczyk, had to hand over temporarily their identity papers and were asked to wait at some distance from the embassy; however, they were allowed to leave after about an hour. Earlier an embassy staff member had asked the GDR police what the intentions of the crowd were and said that if they had "anything on their mind" the embassy was prepared "to receive one of them." While returning the identity papers one police officer asked the demonstrators to disperse. If they had "problems or requests" they were free to submit them inside the embassy "however, during normal business hours." They were then dismissed by the police.

Message from Albania's Alia to Honecker

AU241242 East Berlin NEUES DEUTSCHLAND in German 23 Dec 87 p 2

[Text] Berlin (ND)—Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, thanked Erich Honecker, chairman of the GDR State Council, for the congratulations on the 75th anniversary of the proclamation of independence and the 43th anniversary of the liberation of his country. In addition, in the telegram Ramiz Alia conveys best wishes for the fruitful development of the GDR.

Krenz Receives DPRK's Kye Ung-tae

LD231401 East Berlin ADN International Service in German 1222 GMT 23 Dec 87

[Text] Berlin, 23 Dec (ADN)—Egon Krenz, Politburo member and SED Central Committee secretary, on Wednesday received Kye Ung-tae, candidate member of the Politburo of the Workers Party of Korea [WPC] Central Committee, for a friendly exchange of views. The guest conveyed sincere greetings from Kim Il-song, KWP Central Committee general secretary and DPRK president, to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, which were reciprocated by Egon Krenz in the name of Erich Honecker.

The parties paid tribute to the dynamic development of bilateral relations between the two parties and countries which has been taking place since the meetings between Erich Honecker and Kim Il-song in 1984 in Berlin and in 1986 in Pyongyang.

Going into the international situation, Egon Krenz and Kye Ung-tae stressed that the prevention of a nuclear catastrophe is the predominant task of our times. They assessed the treaty between the USSR and the United States on the elimination of their medium- and shorter-range missiles as historically important both for Europe

and Asia. It is now important to direct all forces for peace and social progress toward continuing the fight to create a world without nuclear weapons. Egon Krenz detailed the results of the fifth session of the SED Central Committee. He stressed that GDR workers regard their creative services for the strengthening of socialism on German soil as their contribution to securing peace.

Egon Krenz and Kye Ung-tae underlined the great importance of the 13th world youth and students festival in 1989 in the DPRK capital, the first time this has taken place in an Asian country.

The Korean guest pointed out that the preparations for the world youth festival are already playing a major part in the country's social life.

Egon Krenz stressed the GDR's support for the DPRK's initiatives, which are directed at peace and detente on the Korean peninsula, including the proposal for a nuclear weapons-free peace zone and the gradual reduction of the military potential of the DPRK and South Korea, along with the call for total withdrawal of U.S. troops, including their equipment, from South Korea. Taking part in the conversation were Eberhard Aurich, first secretary of the FDJ Central Council; and Gerd Schulz, director of the Youth Affairs Department of the SED Central Committee. Also present was Pak Yong-chan, DPRK ambassador to the GDR.

FDJ Resolution on 1988 Plan

AU240852 East Berlin NEUES DEUTSCHLAND in German 21 Dec 87 p 1

[Matthias Loke report: "Achievements for the Plan, for the Welfare of All of Us, and for Peace"]

[Excerpt] Berlin—The members of the socialist youth association will use all their power to meet the liabilities taken over in 1987 and for a good start in the new plan year. This was confirmed by the FDJ Central Council in its Seventh Conference in the weekend [19-20 December] in Berlin. Proceeding from the Fifth Session of the SED Central Committee, it discussed other tasks in the "11th SED Congress' Assignment for the FDJ" and passed a resolution on the FDJ's contribution to the 1988 national economic plan.

For 1988 the youth association plans to save 145 million hours of working time, to get 35,000 young working people to work in several shifts, to use 7,500 industrial robots, and to achieve a yield of 3M million in the "Material Economy" and "Energy Economy" campaigns. It is planned to refurbish and improve 22,000 apartments. With reference to the Masters of Tomorrow Movement all leaderships of the youth association are requested to struggle perseveringly and uncompromisingly, together with the FDJ collectives, for demanding tasks that lead to scientific-technological achievements. Youth research collectives should be assigned only those tasks for which, without compromises, the international standard is taken as a guideline.

Eberhard Aurich, first secretary of the FDJ Central Council, underlined in his closing speech that the struggle for peace, the unconditional commitment to a nuclear-free world, remains the focus of all efforts. Therefore the young generation of the GDR has greatly approved of the Soviet-U.S. agreement on the elimination of medium- and shorter-range missiles. The FDJ members have helped establish the basis for this treaty with their good work for a strong socialism.

Knowledge of the Power of Socialism and Research [subhead]

The first objective of the ideological work of the youth association is to develop a firm Marxist-Leninist class standpoint that helps them to steadfastly take sides with socialism and to take an active position to universally strengthen the socialist motherland, the speaker said.

In order to achieve the demanding targets of the coming plan year, a disciplined plan fulfillment and a purposeful zeal for research are just as necessary as a profound knowledge of the economic laws of socialism and the requirements of economic strategy. Whoever has really understood the performance principle of socialism, Eberhard Aurich said, will struggle with passion for punctual production of high numbers of planned tape recorders, youth fashionwear, and other consumer goods, too. [passage omitted]

SRV Foreign Minister Visits 22-24 Dec

LD241806 Budapest MTI in English
1700 GMT 24 Dec 87

[Text] Budapest, December 24 (MTI)—Nguyen Co Thach, member of the Political Committee of the Communist Party of Vietnam, deputy prime minister and minister of foreign affairs, stayed in Hungary December 22-24, en route to Albania. He held talks with Miklos Ovari, member of the Political Committee of the Hungarian Socialist Workers' Party, secretary of the Central Committee, and Peter Varkonyi, minister of foreign affairs.

Ministers Approve 1988 Economic Plan

LD262010 Budapest MTI
in English 1749 GMT 26 Dec 87

[Text] Budapest, December 25 (MTI)—The Hungarian Council of Ministers reviewed the expected national economic development in 1987 and approved the national economic plan for 1988.

The government stated that as a result of efforts by the economic management and economic units, at some points considerable development has been apparent in the 1987 economic processes, compared to the 1985-86 tendencies. However, progress in the acceleration of production restructuring and improvement of the economic balance has been unsatisfactory.

After the 1985 decline and 1986 slow increase, production and the national income showed an upswing and increased as planned on the whole. Industrial production expanded over plan. Agricultural production lagged far behind the target and was lower than in 1986, mainly due to crop losses caused by drought and freeze damage to vineyards.

Domestic consumption has increased, instead of the slight decrease envisaged. Incomes, including earnings, have risen at a faster rate than expected. This is one reason why it became necessary to increase, by official measures, the consumer price level to a greater than planned extent. Even so, personal consumption has considerably increased, chiefly at the expense of savings.

Hard-currency exports have powerfully increased, and the imports have not declined, contrary to plan. Deficit showed a major drop, but the planned small surplus has not been achieved. The balance of payments deficit has become substantially smaller but exceeded the target.

In rouble-accounting trade, both export and import were about as planned. The terms of trade have improved, and the export surplus slightly surpassed the plan.

The situation has tangibly deteriorated in other fields of economic equilibrium, including the material and commodity markets.

The revenues of the state budget rose more than planned and expenditures in about the expected measure. In this way, the deficit fell considerably short of the target and last year's, due decisively to the measures adopted during the year.

Economic work in 1988 will be principally aimed at starting the implementation of the socio-economic advance programme of the Hungarian Socialist Workers' Party and the stabilization work programme of the government.

In economic policy and economic management priority should be given to the improvement of the national economic balance, acceleration of economic restructuring and the increase of economic efficiency. The selective production and distribution policy to be pursued has to coordinate and enforce the equilibrium and restructuring aims ahead of all other objectives.

A) The aim of improving the economic balance is the powerful slowdown of the increase in hard-currency debt. The plan calls for a balance of payments deficit worth about 500 million dollars in convertible currencies. For this, an approximately 250-million-dollar surplus is required in foreign trade turnover.

Rouble-accounting trade traffic is to expand on the basis of mutual advantages. Efforts should be made to increase imports commensurate to solvent domestic demand. Exports may go up accordingly, with no more than 150 million roubles surplus.

It is a major objective to improve the domestic financial balance, including considerable decrease of the budget deficit.

B) Production can only increase in a structure which meets the balance requirements and on the basis of rising efficiency. Gross domestic product is planned to grow by 1-1.5 per cent and the national income by 1 per cent. Production restucturing has to be stepped up with reliance on more rapid technical development and use of its achievements, with a resultant significant expansion of economical hard-currency exports and considerable saving on imports. The international competitivity of products should improve and the income-generating capacity increase.

C) The plan calls for a decrease in domestic consumption, particularly personal consumption. The domestic use of the gross domestic product is to drop by about 1 per cent, that of the national income by 1.5-2 per cent, personal consumption by 2-2.5 per cent and per capita real incomes by 2.5-3 per cent.

D) It is necessary to accelerate the perfection of the economic management system and increasingly adjust it to the economic policy requirements.

E) The achievements of technical development has to be utilized more rapidly in production. To this end, it has to be achieved, through modernization of the general economic environment and financing, that technical development increasingly become a type of enterprisal activity and interest.

In keeping with the sales opportunities, the production and hard-currency export of light chemical, industrial, and machine engineering goods is to increase above the average. Declining rolled steel, carbamide and polypropylene exports have to be substituted by the sale of other more economic products.

The export of industrial, mainly engineering goods can only increase in proportion to imports. The export pattern has to be changed—in agreement with the concerned member countries of the council for mutual economic assistance—in a way that the proportion of subsidized exports decrease and that of economic products containing specifically low hard-currency imports increase.

The decrease of hard-currency manufactured imports should be facilitated by the expansion of economic import-substituting activities, chiefly of component units and parts, other intermediary products and simple consumer goods.

The expected development of the main industrial branches is as follows:

Coal production will probably remain at the 1987 level. Production will cease in a few inefficient deep-cut mines as well as at the surface mine of Nograd. Mineral oil and natural gas outputs will be similar to this year's. In electricity generation the ratio of nuclear plant production is scheduled to go up and hydrocarbon-based production drop accordingly.

Machine engineering production may increase to a greater than average extent through the dynamic expansion of non-rouble exports and import-substituting production. There will be a considerable growth in the production of the electronics industrial branches (telecommunications and vacuum technology, precision engineering). A Hungarian-Soviet joint company is to be set up for the manufacture of microelectronical parts.

Improvement of the efficiency of agricultural production has to be founded by decreasing expenditures and a production pattern better adjusted to changing market demands. The production of agricultural products is expected to exceed this year's figures by about 6 per cent and the output of the agricultural branch by 5-5.5 per cent.

The volume of investments is expected to be similar to the 1987 level. Conditions for restructuring required for lasting economic stabilization will be created by selective modernization and development work.

The employmentr policy is to support economic restructuring by promoting a more powerful regrouping of active earners, and assist the continuous solution of problems caused by the ensuing labour force movement. The workforce will drop in excess of the previous years' tendency in industry, the construction industry and agriculture. The increase in the number of employees in non-productive branches will slow down.

The formation of joint ventures will also contribute to the partial easing of the territorial and structural tensions of manpower demand and supply, primarily in areas where there is considerable superfluous manpower.

To improve the international and external balance, personal real incomes and consumption is to decrease. The groups of society in the most difficult situation have to be saved of the harmful effects of lower incomes.

The nominal cash income of the population is to increase at a considerably higher rate than in earlier years, mainly because of the substantial price compensations.

Earnings as a whole can increase moderately and at companies with outstanding performance to a greater than average extent. Average wages are planned to rise by about 5 per cent. Owing to wage grossings, the real nominal increase will be some 21 per cent and average wages before tax deduction will exceed 8,000 forints. Minimal wages are to go up from the present 2,000 forints to 3,000 in the national economy as a whole.

Social incomes in cash are to rise by about 22 per cent, largely due to the compensations associated with the tax and price reform. The increase of the consumer price level will be fully compensated (15 per cent, minimum 330 forints) in the annuities of pensioners over the age of 70, disability pensioners of the 1st and 2nd categories, the blind and war widows and orphans. In addition to the regular supplement (2 per cent, minimum 120 forints), pensioners over the age of 70 receive an additional 210 forints. The family allowance will rise by 400 forints per child and by 500 forints in case of children under the age of three and in a few other categories. The child-care allowance will be raised by 330 forints, the scholarships by 210 forints and the maternity aid from 4,000 forints to 6,000. Payment of the child-care fee will be extended until the child turns two.

The consumer price level can increase by about 15 per cent. Parallel with the introduction of the general value-added tax, the consumer price subsidies should be considerably reduced.

There will be a substantial, higher than average rise in the prices of children's articles, housing construction and maintenance, milk and dairy products. The price of adult clothing, sports accessories and a few other products will be lowered in the beginning of the year.

A favourable goods supply and balanced market situation have to be ensured of basic consumer goods and regularly purchased products. The balance of demand and supply should be restored of other products as well, and the larger temporary shortages should be eliminated and prevented.

The plan envisages the construction of 55,000 flats with the use of central and personal funds.

The accommodation of populous age-groups has to be solved partly by new projects and partly by the use of existing buildings and premises adaptable for the purpose of education.

The funds available in the area of health and social-welfare provision should be concentrated on hospital reconstructions, increase of the number of places in social-welfare homes and the equipment of institutions with machines and instruments.

Rouble-accounting goods traffic is planned to contribute to economic development in consideration of the balance requirements. Export may go up in accordance with import, but at a lower rate.

Hard-currency export is to be dynamically increased primarily in the circle of processing industrial and agricultural products. There will be higher sales also to the developing countries. At the same time, the export of the most uneconomic products from the point of view of hard-currency revenues will be restricted.

Import is to be cut according to the foreign economic balance requirements.

It is necessary to expand cooperative relations with foreign companies. To promote a larger influx of foreign working capital, organization activity and publicity work abroad have to be improved.

Spokesman Meets Press on Assembly Session

AU241334 Budapest MAGYAR HIRLAP in Hungarian 22 Dec 87 pp 1,3

[Correspondents' report on press conference held by government spokesman Rezso Banyasz on the session of the Parliament held on 21 December: "The Council of Ministers Held a Session—Pensions and Other Payments Are Raised—Government Spokesman's Press Conference—Decision on Higher Financial Incentives to People Starting Work And Technological Intelligentsia—Increase in the Number of Workers That Can Be Employed by Private Retailers"]

[Excerpts] [Passage omitted] Hungarian Radio Foreign Service: As has been announced, the Government Information Office has been eliminated. There must be duties that will have to be assumed by other organs. Which organs are these, how will this reorganization be carried out, and to what extent will the institution of spokesman change?

[Banyasz] [Passage omitted] The Government Information Office in its present, or already past, form has ceased. This was justified by the reorganization of the government. I personally will have to act as a government commissioner in the coming months in order to facilitate the establishment of a government press office that will retain all that proved useful in the previous offices and avoid those aspects whose central direction and management is no longer needed. I think that increased importance will be given to the fact that the government regards open information as its best means of cooperation with the press; at the same time, however, I think that it is impossible to avoid the managerial and administrative tasks imposed on the government by the press law. At present I can only say that we will try to find the best possible and most efficient institutional form. [passage omitted]

CENTRAL PRESS SERVICE: When will the organizational measures on the government level, that were decided on recently by the National Assembly, be implemented? For example, when will the new ministry of commerce actually be established?

[Banyasz] At the beginning of the government session on 21 December, our premier spoke in detail about the tasks facing the government and the directions in which the work of the entire government should be enriched. The ways in which the working style of the government should be developed, starting with the ways government activities should be organized, and exploring ways for the government to discuss on its agenda less points but those points more thoroughly were also tabled. During its meetings, discussions should center on not only the main economic processes, but more domestic policy, social policy, and foreign policy subjects. The supervisory function of the Council of Ministers should be asserted in a better way. Naturally, the basis for all these is found in the further increasing responsibility of the ministers and individual department heads.

Grosz Addresses National Assembly

AU231401 Budapest NEPSZABADSAG in Hungarian 17 Dec 87 pp 1-3

[Speech by Premier Karoly Grosz delivered at the National Assembly Meeting of 16 December: "What Has the Council of Ministers Done Since the Autumn Session of the National Assembly?—Karoly Grosz' Speech"]

[Text] Esteemed National Assembly!

The National Assembly 3 months ago adopted the work program that contains the most urgent tasks of economic and social development, on the basis of the Central Committee Position of July 1987.

Making use of this opportunity, I would like to inform you about how this work program has been received, the expected political environment for the future implementation of this program, and about the activity carried out by the government since the autumn session of the National Assembly in order to create the domestic and international conditions necessary for the implementation of this program.

The autumn session of the National Assembly was given wide publicity and aroused great interest. As a result of the concurrence of publicity and interest, public opinion and the widest circles of interested citizens received a more realistic and uniform picture than previously about the situation facing the country. This picture includes the new types of tasks ahead of us and fateful issues that will affect our people and determine our future in these years. We regard this as something of great political value.

The autumn session of the National Assembly was followed with special attention, and not only in Hungary. Our allies and friends also showed great interest in this session, and we can even say that all the countries and leading politicians—irrespective of differences in social order—that are interested in further strengthening their economic, political, technical and scientific, cultural, and other relations with Hungary showed great interest in our National Assembly session.

As regards how the work program was received, as expected, the picture is strongly differentiated. We consider an essential element to be that the picture is dominated by a sober and objective evaluation of the situation by the citizens and communities, and by their willingness to act. A particularly important development is that at the majority of producer enterprises a concept and practice are emerging which, instead of summing up the imaginary and real limitations to scope with great zeal, are searching for possible ways of action. Only such an attitude foreshadows progress.

However, we cannot disregard the fact that one can come across also phenomena which oppose the above-mentioned attitude. It seems as if the initial confidence has subsided. There are people who can still formulate only their reservations. Some people continue to take up a waiting position. Others have been unable to move away from the question "Who is responsible?" to this very day, and they fail to acknowledge that this does not lead us anywhere.

Concerning the issue of development, some people constantly repeat the question: "What is the guarantee"? It is unfortunate—and this also reflects the weakness of our political activity—that many people do not understand and are not particularly interested in the content of the government's work program. Among them, are people whose ignorance does not prevent them from making self-confident declarations.

The fact that the increased difficulties encourage hostile elements and the opposition to step up their activity has not taken us by surprise either. I would like to stress here that the government continues to strive to conduct a dialogue with everyone who, albeit in a different way, is searching for possibilities of solving the problems for the benefit of socialist development. However, we refuse to speak with those who, starting from a hostile platform and with the deliberate intention of causing harm, try to discredit our goals and our efforts to implement these goals.

Quotation From a Letter [subhead]

All these phenomena cannot be neglected but, of course, they cannot question the widespread support which gives the government power and confidence in its work. I would also like to use this opportunity to express my thanks for the constructive and responsible cooperation with which the party organizations, the National Assembly committees, and the public organizations—including the National Council of Trade Unions, the PPF, and the KISZ Central Committee—are strengthening the activity of the government. We appreciate the proposals and observations made by communities and individuals and which are sent to the members of the government and to the prime minister in person as a sign of confidence and of readiness for joint action, and we welcome these observations with thanks.

Allow me to quote, without comment, from such a letter written by a pensioner on 8 December: "We should not sound, and in my opinion it is not justified to sound, the alarm bells and spread an almost macabre atmosphere, as did the latest broadcast by the Budapest Area Studio while reporting on the Budapest Council meeting.... We are wasting and pilfering public property (sorry for the use of the first person plural but this phenomenon is too general), and we tacitly or actively tolerate negligent, poor, and spiritless work, be it manual, office, intellectual, or even sports activity.... In my opinion, it is not primarily the economic situation which is tragic, but the ethical and ideological situation of part of society—if you like, its depravity—that is really tragic."

All this proves the existence and strengthening of society's will to implement the jointly decided goals, and people who are searching for ways to develop a better and more efficient way of practicing socialism in Hungary are a decisive majority. These people not only clearly see the seriousness of our situation and the possible dangers; by renewing their thinking and carrying out up-to-date activity, they also increase the nation's self-confidence, self-respect, and its performance.

At the same time, however, we are aware that this fundamentally uniform support for the government program will be further differentiated in the future. The more determined the steps we make in advancing toward the concrete implementation of general principles, the more differentiated the opinion will be, and debates will

also become more intense. Our decisions aimed at implementing our main goals will often harm interests and will dispel illusions. Nevertheless, we cannot choose to follow another road.

We must also take into consideration the fact that impatience will increase in the future. Many people expect immediate and tangible positive results, while the accumulated tensions can be eliminated only with the joint work of several years, at best. In line with the situation and the tasks at hand, the duality in evaluating what prevails in the present is expected to become permanent in our political public life. On the one hand, signs of change and of a favorable development will increase; on the other hand, breaks bringing immobility will also be present, because the conditions for a desirable change are simply not yet available in several areas, or because ideology and personal ineptitude hinder this development. While we can institute changes to the latter through consistent work, and often with unintentional harm, we can reshape the objective conditions only with slow, patient, and persistent work.

This particular mixture of hopes and doubts will therefore be an organic part of our life and mood, and we consider one of the consistent tasks facing the government to beto deal with this mixture by political means. A condition for this is to also strengthen the common thinking of those who participate in managing the country and in shaping society's attitude. Debates should be regarded as natural elements, because we are facing tasks of great importance, and there are several ways of solving a problem. Pointing an accusing finger at each other, however, leads nowhere. It also leads nowhere if it becomes in vogue to unilaterally repeat the real daily problems, to overemphasize the negative symptoms, and to be discontented without self-criticism.

In the process of social and economic development, also we expect a lot from the development of our style of political debate. In this case, openness should not be mixed with irresponsible accusations and hurling insults at each other. The latter only increase confrontation, and the country needs confidence and unity of action.

Recent Government Measures [subhead]

Understandably economic tasks have been, at the center of the government activity carried out since the autumn session of the National Assembly. Measures aimed at implementing the new laws on the tax system make up a considerable amount of the government's decisions.

The Council of Ministers examined experiences from the operation of the two-tier banking system and adopted proposals for the elimination of negative trends and a wider introduction of more favorable processes.

The Council of Ministers proposed to the Presidential Council to further develop the system of bonds and to formulate the law governing competitive bidding. Adequate regulations have been established to carry out the so-called grossing up of wages.

In the course of formulating the draft plan and the draft budget of the people's economy for 1988, we were striving to promote—in accordance with the goals stipulated in the work program—the maintenance of our solvency and, in harmony with this, to ensure the balance of the budget. Therefore, it is important that we succeeded in finding a possibility of reducing our defense expenditures, while continuing to guarantee the disciplined fulfillment of our obligations toward our allies.

In this period the Council of Ministers naturally dealt not only with economic and social policy issues. In making decisions affecting other areas, we also saw to it that these decisions—perhaps only in the long run—would contribute to improving the citizens' mood and to safeguarding our national interests. Such a concept led us to propose, for example, to make traveling abroad and acquiring a passport a citizens' right, and to make decisions on the financial conditions for the fulfillment of this right. We took strict measures limiting the introduction of waste materials from abroad into Hungary. We examined the effects of the limiting and development measures taken in the Lake Balaton area. We decided to thoroughly reexamine the area development goals in the Dunakanyar area.

The health preservation program adopted at the last session of the Council of Ministers also serves our long-term goals. The introduction of obligatory guarantees in the area of housing construction and the simplification of legal procedures concerning services will, no doubt, have a favorable effect on the mood of the population. Recently, the Presidential Council adopted our proposal for the introduction of a two-tier local-district administration, through which we would like to encourage the urgently needed development of local initiatives.

In its international activity the government considers its major task to be the creation of the external conditions for the program of stabilization and development. Therefore, we are striving to further activate our interstate relations. We have been and are paying particularly great attention to using the opportunities inherent in international economic, financial, and scientific-technological cooperation.

Our Foreign Relations and Structural Reorganization [subhead]

The high-level talks and consultations with our socialist allies, our neighbors, and with the developed capitalist and developing countries served our economic and social goals. At the recent premier-level, deputy foreign ministerial, and ministerial talks, our partners assured us

of their understanding and support for our reform concepts and foreign policy activity. The discovery and development of up-to-date forms of economic cooperation stood at the center of our talks. We primarily encourage production cooperation and we create the best possible conditions for this. We are shaping our market policy accordingly.

We are seeking solutions which enable an extra increase in resources for our reform efforts, in order to be able to reorganize the structure of production and continue to fulfill our payment obligations.

In this spirit, at the CEMA meeting in Moscow in October 1987 we made a joint decision to gradually reorganize the mechanism of socialist economic integration and of CEMA's activity, a task that has to be carried out by taking into consideration the development of the member countries' national economic mechanisms. This requires comprehensive, well-considered, and joint activity. Our main effort is to strengthen the interest in relations between enterprises, in the relations between goods and money, and in socialist economic cooperation in general.

The talks directed toward the creation of agreements with the socialist countries concerning next year's exchange of goods also prove that our partners are considering increased cooperation as one of the driving forces behind economic growth. As a whole, these trade agreements stipulate a modest increase in the exchange of goods. Therefore, further possibilities must be uncovered through constant work in the course of the year, on the basis of mutual national and enterprise interests.

We are conducting negotiations of special importance with the Soviet leaders on the content and framework of our future cooperation. We experience maximum understanding, readiness to help, and an intention to cooperate in all subjects. We agreed to maintain the present level of our exchange of goods and to gradually change our export structures.

Like the other CEMA countries, Hungary is also dealing with the issue of settling our relations with the EEC. The EEC member states are Hungary's traditional and important economic partners, and therefore we have a serious interest in settling our relations. Negotiations are under way regarding the first comprehensive agreement between Hungary and the EEC, negotiations which we would like to conclude successfully in the foreseeable future. At every opportunity we take a stand for the elimination of discriminatory measures against us.

We Warmly Welcome the Soviet-U.S. Joint Efforts [subhead]

The new phase in the emerging Soviet-U.S. dialogue opens up promising prospects for our international relations and our cooperation. We can say without exaggeration that the summit of historic importance—a product of the new way of political thinking— enables the creation of international cooperation which is characterized by cooperation based on mutual interests, rather than animosity, mistrust, and unfavorable discrimination in economic relations. Therefore, the government of the Hungarian People's Republic warmly and most sincerely welcomes the efforts formulated in the joint Soviet-U.S. communique, and particularly the determination that "the official contacts should be developed and made more intensive on all levels in order to achieve practical and concrete results." For its part, and similar to its practice so far, in the future the Hungarian Government wishes to contribute by all possible means to the cause of arms limitation and disarmament, and to the creation of a nuclear-free world. I propose that the esteemed National Assembly at the current meeting publicly express its support for this agreement of historic importance. I propose that the Foreign Affairs Committee of Parliament formulate the position declaring this support.

Work Style, Decision Making System, Conditions of Responsibility [subhead]

Esteemed National Assembly! When submitting the government work program, I promised you that, by accelerating the preparations aimed at modernizing the state administration work, we will propose a new organizational form for the Council of Ministers and the ministries. Therefore, on behalf of the government, I now submit the relevant draft law. This draft law was preceded by extensive consultations and exchanges of experiences during which the organizational changes received almost unanimous support. The planned organizational measures and the related personnel changes represent the first phase in this process.

It follows from this that now I am proposing only personnel changes that are related to organizational modernization. Following this first step, we intend to prepare the other necessary changes in 1988 and introduce them as of 1 January 1989. At its meeting on 14 December 1987, the Administrative, Legal, and Judicial Committee of the National Assembly discussed and supported the draft law. The committee agreed that I should submit this draft law to the National Assembly on behalf of the government.

In further developing administrative activity we start from the premises that, in the current situation, there is a need for quick reactions, tough decisions—often made under constraint—and for readiness for constant maneuvering—still maintaining the fundamental direction. This is inconceivable without reorganizing the government's style of work, changing the decision making system, and making responsibility more clear-cut. All these represent a requirement for management by central government, the fulfillment of which calls for organizational and personnel changes.

At the same time, without underestimating the importance of organizational conditions and the significance of appointing the most suitable personnel to leading government positions, we still have to say that, compared to the substantial goals and the tasks facing the country that are awaiting to be solved, all these play only an instrumental role. The fate of the country depends primarily on the efficiency of production activity rather than on the reorganization of ministries. So far, we have not come across genuine changes in this field.

I justify the draft law on the number of ministries primarily by means of the substantial interrelations included in the proposed organizational measures and personnel changes. Among these interrelations I wish to draw your attention to the following: The role of the state in organizing the economy will not decrease in the future, on the contrary, it will increase, but it will be asserted in another, more consistent form than previously. The other substantial requirement concerns the fact that the government will have to be more open to the new phenomena of social development in the future. And finally, our third effort concerning the content of government activity is related to the fact that socialist democracy is becoming stronger and society's control over the activity of state administration organs is increasing.

The Number of Deputy Premiers and Government Committees Will Decrease [subhead]

Our proposals concerning the government are aimed at harmonizing the strengthening of the corporate nature of the Council of Minister by means of the ministers' increased independence and responsibility. In this spirit, we reexamined the role of deputy premiers and government committees. Our fundamental goal is to strengthen the bonds to the government in the ministries' activity and, at the same time, to increase the ministers' possibilities of making their own decisions on issues relevant to their ministry. In order to enable the ministries to carry out interministerial coordination activity independently and to fulfill complex government tasks responsibly, we will eliminate the organizational activity of Council of Ministers' officials that are above the ministers. In future the ministers and state secretaries in charge of organs with a national sphere of authority will be directly connected to the Council of Ministers, and will be responsible to the government and the National Assembly in their work. This enables us to reduce the number of deputy premiers and eliminate the official apparatus wedged between the government and the ministries.

The surveys carried out clearly showed that the combined operation of three economic government committees led to parallelism and to a slowdown in the government's activity. Therefore, the Council of Ministers will eliminate the State Planning Office, the Economic Supervision Commission, and the International Economic Relations Commission, and will simultaneously create the Planning and Economic Committees. In accordance with its present function, the National Planning Office will operate independently in the future.

The Information and Council Committees To Be Eliminated [subhead]

In addition to eliminating the government committee secretariats, we will also eliminate the Information and Council Affairs Offices of the Council of Ministers.

The organizations and tasks of the Council Affairs Office will be incorporated in the Ministry of Interior. With this decision, in addition to fulfilling the government tasks of public order and internal security, this important ministry will take a considerable step toward fulfilling internal and public administration functions.

The structure of management of the councils stipulated in the Constitution will remain unchanged. The central management of local councils will continue to be carried out by the Council of Ministers, but this time a member of the government—the minister of interior—will be in charge of this activity, rather than a state secretary.

In order to increase the level of contacts between the Council of Ministers and the local councils, we will create a Council Board of the Council of Ministers headed by the premier. This will be a new form of direct contact between the government and the councils, a body that will first operate as a forum to coordinate interests, and later as a forum to represent interests.

The elimination of the Information Office of the Council of Ministers was justified by the fact that, in the information provided by the mass media we wish to considerably increase the possibilities of and responsibility for independent decisions on the part of the institutions which set up press organizations. Therefore, we separate government press management from the government spokesman's activity. The latter will come under the direct management of the chairman of the Council of Ministers. The premier will also be in charge of Hungarian Radio, Hungarian Television, and MTI. In the future MAGYAR HIRLAP will be the government daily.

Trade Ministry [subhead]

The goal of the changes to be carried out in the ministries and the organs with a national sphere of authority is to create integrated ministries capable of ensuring internal coordination and, at the same time, to eliminate the rigid functional and professional division prevailing in the sphere of economic management.

We propose combining the Ministry of Domestic Trade and the Ministry of Foreign Trade, eliminating the independent sphere of authority of the Secretariat for International Economic Relations, and considerably modifying the sphere of activity of the National Material and Price Office; at the same time, we propose the

creation of the Ministry of Trade. Within market control, the elimination of operative disturbances was given priority over planned market creation in the past period. The lack of uniform management of the domestic, CEMA, and foreign markets leads to constant problems. The marketing of goods and services breaks up within the various branch channels.

From the viewpoint of market creation, it is absolutely justified to regulate in a uniform manner the domestic market conditions needed for consumer, producer, and export activities, that is, to integrate the state management of domestic and foreign trade. This reorganization does not mean simply a fusion of the Domestic and Foreign Trade Ministries, but the creation of qualitatively new type of market supervision management. Subsequently, without its tasks within the area of trade in means of production and market supervision, the National Material and Price Office will continue to operate as a National Price Office.

The Trade Ministry will also fulfill government tasks concerning the organization, coordination, regulation, and management of interstate economic relations, as well as the tasks concerning CEMA integration, and thus this ministry will play a leading role in managing economic diplomacy. The Trade Ministry will also carry out state management of tourist activity. Since tourism is a very complex area of outstanding importance from the viewpoint of the people's economy, we wish to create an organ with a national sphere of authority under the management of the ministry to fulfill this task.

A Uniform Social Policy and Health Management [subhead]

Our next proposal concerns the creation of a Ministry of Social and Health Affairs. The state administration of social policy is at present characterized by fragmentation, because almost every ministry is carrying out social policy tasks. In various ministries, fulfilling social tasks is naturally subordinated to the main activity, and social affairs are also managed by various factors within the council organizations. Coordination is slow and difficult, and the mechanism of asserting social interest is also underdeveloped. All these make the use of otherwise limited financial resources difficult to survey and occasionally wasteful.

By laying the foundations for a system of social allowances, the new ministry would fulfill employment tasks of a social nature. Rehabilitation tasks and tasks connected with deficiencies are among such social tasks. Here we would also organize the central government administration tasks related to the health care program, the fight against alcohol, disturbances in social adjustment, as well as demographic and family policy tasks.

A Social Policy Council affiliated to the Ministry of Social and Health Affairs would operate to coordinate state administration tasks and to carry out the task of coordinating interests with the public organizations; a National Council for Health Care would operate to coordinate the interministerial tasks of health care, and a new system of relations with the trade unions would also emerge.

Social security management would also belong under the ministry of Social and Health Affairs in such a way that the principled planning and regulation tasks of the National Social Security General Inspectorate would be gradually included in the activity of this ministry.

It is increasingly expedient to operate the social security service as a self-managing financial institution. The state administrative nature of the National Social Security General Inspectorate would, therefore, gradually be eliminated.

We think that the creation of such a ministry would ease the formulation of the social policy concept declared in the government program and would also ease its efficient application by the government.

The Complexity of Environmental Protection and Water Management [subhead]

We propose the setting up of a new ministry, the Ministry of Environmental Protection and Water Management. At present, the management of various natural resources is carried out under separate ministerial activities. Therefore, it is necessary to work out a complex, better coordinated ecological concept and activity that stress society's long-term interests.

Hungary's particular geographic position, the special importance of water management and its close relation with the other branches of environmental protection, the strong system of water affairs management that traditionally developed, irrespective of the system of counties, all justify the creation of central management of environmental protection combined with water affairs management. The new ministry would fulfill the most general functional tasks of environmental protection. In addition, the new ministry would deal with water management, water utilization, and tasks of making good damage by water, nature and area protection, air purity, noise protection, the handling of dangerous and other waste materials, certain community management tasks, and land protection. Under the new ministry the present, often parallel activity of the area and institutional system would become more rational and more efficient, and we could also count on saving in expenditures.

Government Decisions Serve Long-Term Interests [subhead]

The fact that changes of such magnitude have not been carried out since 1967 well reflects the importance of the proposed changes. These changes must be carried out by 31 March 1988.

The government's style of work is also adjusting gradually to the new requirements. Its cooperation with the National Council of Trade Unions has become more substantial. The first meeting between the representatives of the government and of KISZ has already taken place. The government members in charge of economic issues have held joint exchanges of views with heads of enterprises and production cooperatives. Information about the government's activity has improved. The government is relying more on the experience of National Assembly deputies and that of the parliamentary committees.

In the future we will regard it as our obligation to carry out a constant dialogue with the various strata of society even more than previously. We will organize intensive consultations prior to making decisions on major issues. The government respects differing opinions, but through its decisions—following responsible consideration of all factors involved—the government wishes to serve the long-term interests of the country. However, we are not satisfied with our work. The efficiency of government activity lags behind the requirements. There is haste, the number of less important issues is considerable, and preparatory work on essential issues is slow and difficult. The fundamental reasons for this state of affairs are an overwhelming and permanent lack of time, the lack of thorough examination of real processes, the low level of theoretical work in preparing decisions, simultaneously the more difficult economic conditions and the subsequent narrowed scope. As soon as we are able, we will have to change all these. I believe that we are improving these conditions here and now.

In the spirit of these ideas, I call upon the National Assembly to discuss the submitted proposals, adopt them, and include them among the new laws of the country—Premier Karoly Grosz concluded his speech.

Passport, Foreign Travel Changes Outlined

LD272034 Budapest MTI in English
1700 GMT 27 Dec 87

[Text] Budapest, December 27 (MTI)—On Sunday the Hungarian Ministry of Finance held a press conference on the new passport regulations and the financial conditions of foreign trips to take effect on January 1, 1988.

Deputy Minister of the Interior Karoly Ladvanszky said that every Hungarian citizen has the fundamental right to travel abroad. From now on Hungarian passports will be valid for five years and, as a major change, for all countries of the world and for repeated trips. The duration of a trip may be 90 days but can be extended in justified cases. The 4 million passports issued since January 1, 1984 will remain valid and be extended to all countries of the world. The passports will be validated and new ones issued by 135 police headquarters, instead of the current 20.

Andras Patko, deputy minister of finance, and Janos Fekete, first deputy president of the National Bank of Hungary, said that the financial conditions of foreign trips would be changed, in keeping with the new passport regulations. Those who travel to rouble-accounting countries may buy foreign currency without any limitation. Rail, bus, air and ship tickets to these countries will also be available against payment in forint, without any limitation.

Those who travel to countries with convertible currency are allowed to buy—at the current rate of exchange—19,000 forints worth of foreign currency in every three years. The sum is available in not more than six installments since travellers can only cross the border if they have at least 3,000 forints worth of foreign currency of legal origin, covered by a formal licence. The means of payment of legal origin include the sums bought for the said 19,000 forints, and the sums kept on travel accounts and currency accounts.

Under a new law decree of the presidential council 75 per cent of the convertible currency offered for sale to the authorized organs by Hungarian citizens between January 1 and March 31, 1988, will be placed on 'special travel accounts'. The countervalue of the remainder will be paid in forint. The sums kept on this account can only be used for the purpose of foreign trips. The law decree stipulates that no formal proceedings should be instituted against those who put the foreign currency held so far illegally on this account.

In reply to questions, it was announced that the conditions of travels to the Soviet Union had not changed and talks on the modification of the current regulation were under way.

It was also emphasized that travellers to hard-currency countries should have at least 3,000 forints worth of foreign currency of legal origin, even if they travel to Austria via Czechoslovakia or to West Berlin via the GDR.

Release of 'Conscientious Objectors' Demanded

Walesa Backs Warsaw Strikers

AU241636 Paris AFP in English 1628 GMT 24 Dec 87

[Text] Warsaw, Dec 24 (AFP)—Solidarity leader Lech Walesa on Thursday gave his backing to 12 people who have been on hunger strike here for 11 days to demand the release of 12 conscientious objectors who are jailed in their countries.

Nine of the objectors are Polish, one is Hungarian, one Czechoslovak and one Greek, and all have refused to do their military service.

In a message to the protesters, also released to the press, Mr Walesa said that "in every civilised country" conscientious objectors should be given the opportunity to carry out a civilian service instead of in the armed forces.

Mr Walesa said he had served in the Army, but thought that "this is not the only way to serve society."

The protestors are all members of the Liberty and Peace (WiP) ecologist- pacifist movement and have said they will continue their fast in a Warsaw apartment till December 27.

But they have called on WiP member Slawomir Dutkiewicz to end a hunger strike he started in Bydgoszcz prison in mid-November, when he was arrested for refusing to carry out his military service.

Strikers in Gdansk, Opole

LD261803 Hamburg DPA in German 1245 GMT 26 Dec 87

[Text] Warsaw (DPA)—On Saturday in Danzig [Gdansk], the police temporarily arrested six young people who had gathered together for a hunger strike which began Christmas Eve in a private flat. Their action was intended to support the hunger strike in Warsaw by 13 young persons which has lasted since 13 December. They are calling for the release of imprisoned objectors to military service and the right to do civilian service instead.

As Jan Jozef Lipski, the spokesman for the hunger strikers, said on Saturday in Warsaw, the young people went against the advice of doctors and continued their strike in a private apartment in the Warsaw new construction district of Ursynow. They do not intend to end their fast until Sunday [27 Dec].

Lipski reported that the hunger strikers had received a telegram of solidarity from the Soviet Union signed by 10 members of the dissident group "For the Creation of Trust Between East and West." The actions of the Polish group "Freedom and Peace" (WiP) also gave them strength, the dispatch states. According to the spokesman, there is also an act of solidarity in Oppeln [Opole]. For some days, six people have been gathered in a private apartment there and not eaten. Originally, nine people began the Warsaw hunger strike on 13 December, the anniversary of the imposition of martial law. Four others later joined them. There are two young women in the group.

Hunger Strike Ends

LD271552 Hamburg DPA in German 1338 GMT 27 Dec 87

[Text] Warsaw, (DPA)—On Sunday [27 Dec] a total of 28 young people ended a hunger strike in several Polish towns, held to back their call for the "human right" to conscientious objection, which should also be recognized in the states of the Warsaw Pact. In Warsaw, nine members of the pacifist movement "Freedom and Peace" began their action in a private apartment on 13 December. They were joined by 4 others, so that at midday on Sunday it was 13 young people who resumed taking nourishment there. Shorter solidarity strikes were also undertaken by six people each in Opole and Gdansk and three individuals in Krakow, Kolobrzeg, and Wroclaw.

In a statement signed at the conclusion by the participants in Warsaw the young people express thanks to all those who supported them with declarations of solidarity, including the group "For the Creation of Trust Between East and West" from the Soviet Union and the Movement for Nonviolence in France. Together with the Polish pacifists, a total of 120 people in 9 countries fasted for the realization of the same goal.

The participants in the action reported that currently in Poland 10 members of "Freedom and Peace" and, it is thought, around 50 members of Jehovah's Witnesses are in prison for refusing to do military service. The condition of Slawomir Dutkiewicz from Bydgoszcz gives cause for concern. He has been on hunger strike since his arrest on 12 November. On Christmas Day Krzysztof Golowicki was arrested in Gdansk for refusing to do military service. On the same day six hunger strikers were detained for 2 hours in a private apartment in Gdansk. They continued their action after their release and, like the others, only resumed taking nourishment on Sunday at noon.

Orzechowski Address to CSSR's Chnoupek

AU241234 Warsaw TRYBUNA LUDU in Polish 22 Dec 87 p 2

[Report on speech by PPR Foreign Minister Marian Orzechowski at a banquet in honor of CSSR Foreign Minister Bohuslav Chnoupek in Warsaw on 21 December]

[Text] Welcoming the CSSR foreign minister, M.Orzechowski said that the period since his visit to Czechoslovakia has witnessed many facts which are important for

friendship and effective cooperation between us and for stronger ties between our states and peoples. This period has inspired deeper thinking about history, about today and tomorrow, about our alliance and joint activity, he said.

The Poles greatly appreciate the achievements of the fraternal peoples of Czechoslovakia. We have been monitoring the 40 years of achievements by the Czech and Slovak peoples, led by the CPCZ, with attention and with positive feelings. We have full understanding and appreciation for your country's restructuring of sociopolitical relations, which is taking your own experience and conditions into account. We wish you success. By undertaking the work of restructuring ourselves, we are making a valuable joint contribution to the search for the most effective ways of accelerating the socialist community's development.

Implementing the line of socialist renewal laid down at the Ninth and 10th PZPR Congresses, we have presented society with a program of radical sociopolitical and economic reforms. There is no turning back from a consistent implementation of these reforms, because there is no real alternative to them. We do not intend to stop half way, nor take any halfway measures.

The objective we are setting for ourselves is a joint one. The multitude of paths leading to it can only enrich our common knowledge about the correctness of development and about the methods of fulfilling social expectations. The realization of this strengthens our conviction about the need for closer and more concrete cooperation in all spheres. The year that is drawing to a close has been another period of enriched contacts between our parties, governing bodies, and social organizations, as well as a time of clearly expanding cooperation between artistic unions and numerous cultural and scientific institutions. We state with great satisfaction that the high rate of growth in our foreign trade, the highest among all the socialist countries, is continuing. This year our trade grew by 13 percent.

At the same time, we realize that the development of cooperation calls for a steady removal of all obstacles to closer ties between both countries, including obstacles to restoring the personnal traffic that has been agreed on in joint documents. As far as economic cooperation is concerned, new forms of direct cooperation between economic organizations and research and development centers are urgently required. This applies to our Polish-Czechoslovak relations, but at the same time it shows the need for the entire socialist community to improve its cooperation within the CEMA framework. We are in a period of breakthrough, a period which clearly shows the need for an innovative concept for the theory and practice of creating socialism. This is of fundamental importance for the future of all socialist states. That is why we attach such importance to the success of the bold restructuring in the USSR, full of concern that the challenges we are facing on the threshold of the 21st century should be met.

Poland and Czechoslovakia are important components of the socialist community. Their membership of the Warsaw Pact military-political alliance, energetic participation in CEMA, permanent alliance with the Soviet Union are the guarantees of our security and of the accelerated development of both our countries.

Opposing the threat of nuclear war and seeking paths to detente and peaceful cooperation are the most important matters for all mankind today. The recent meeting between the leaders of the Soviet Union and United States is a historic step forward in this sphere. The Soviet-U.S. accord on eliminating medium- and shorter-range missiles is a real chance for progress in disarmament talks and in freeing the world of the threat of nuclear annihilation.

Both our states are taking active part in work for the sake of international detente. We highly value and support the Czechoslovak and GDR idea of a corridor free of nuclear weapons and a zone free of chemical weapons in central Europe. We are grateful to the Czechoslovak Government for its support for the Polish plan to reduce armaments and increase confidence in central Europe.

Both our states completely agree that inviolable borders and a respect for the sovereignty and territorial integrity of countries are essential conditions for stronger peace and cooperation in Europe. Activity by revisionist forces, especially in the FRG, and support for revisionism anywhere in the world are against the interests of detente and security and against the spirit of the Helsinski Final Act.

Activity for the sake of peace and detente is our political and moral obligation, a basic duty toward mankind and future generations. We unchangingly support and will continue to support the USSR peace initiatives that have been presented regularly and persistently by CPSU General Secretary Mikhail Gorbachev.

Finally, M. Orzechowski said that our friendship and increasingly concrete and fruitful cooperation are serving the entire socialist community well. They add new values to the practice of socialist construction. They serve the cause of progress and world peace.

Roundup of 15 Dec PZPR CC Plenum Speeches

AU241725 Warsaw TRYBUNA LUDU in Polish 17 Dec 87 pp 4, 5

[Roundup of speeches from the floor during the sixth Central Committee plenum on 15 December in Warsaw]

[Excerpts] Teresa Dzikowska, Central Committee member and private farmer in Lutowko, Bydgoszcz Voivodship: [passage omitted] Many rural inhabitants, especially the farmers whose production results are poor,

were in doubt as to whether or not to say "yes" to the referendum proposal that the second stage of the economic reform should be accelerated. We should keep in mind that there are many such poor farms in the Polish rural areas, including Bydgoszcz Voivodship. Does this mean that our rural areas do not want reform? I can openly state that they do want reform, but that we must eliminate farmers' distrust and disbelief in order to win their full and general acceptance of the need for deep change in our economy. [passage omitted]

Farmers continue to be irritated by uncertainties and by the waste of their valuable time spent on trying to obtain the equipment necessary for production. That farmers continue to militate for increases in the supply of the necessary production means shows that they want to increase their agricultural output. [passage omitted]

The credibility of the performance of the rural party organizations has been lowered in the present situation, because its members continue to be very frequently accused of the present state of affairs, although they sponsored many useful measures for the community. The small primary party organizations in rural areas work under especially difficult conditions and, although they are aided by experienced party aktivs, they are not always able to oppose erroneous ideas and views. Rural areas want the mass media to provide more information about the genuine life, achievements, and needs of the rural population. The shortage of such information is responsible for the fact that the urban areas do not always understand the rural community and do not know the truth about it. [passage omitted]

Mariusz Gulczynski, professor of the Polish Academy of Sciences and member of the Central Committee Ideological Commission: What party members and the party's sympathizers mainly doubt in terms of ideology is whether the economic and political reforms help to strengthen or to dilute socialism. Is it not better to leave this subject to the dogmatists, who are inclined to follow utopian doctrines instead of relying on pragmatic reality?

The fact that the dogmas illustrating the previous shape of socialism and hindering our reforms are alive is not because of the resistance of a small number of dogmatic ideologues, but because of the attachment of rather large segments of our society to the values and interests that have been inculcated into them. This attachment can be eliminated only by creating and propagating socialist ideas that articulate higher values and methods of realizing social interests. This means that we must eliminate one's attachment, which blocks the reforms, to the ideas and practices of the obsolete form of socialism that can be called paternal-guardian socialism. We must create and propagate the idea and practice of a higher form of socialism, one involving partnership in decisions and responsibilities shouldered by all citizens and workers. [passage omitted]

Jozef Oleksy, first secretary of the PZPR Voivodship Committee in Biala Podlaska: [passage omitted] It would not be right to assert that the entire party made a common front in the campaign before the referendum. There were cases in which some comrades refused to personally commit themselves. There were meetings, especially in rural areas, during which lecturers and secretaries of the gmina committees joined the participants grumbling about our situation. The party's mobilizing condition is still not what it should be in general. Some primary party organizations have in a way lost themselves under the pressure of the moods of their communities, in which party leadership is a little known term. [passage omitted]

Janusz Reykowski, professor of Warsaw University: The reform is supposed to accelerate our economic development, and this calls for tough economic rules to ensure rational management. However, people's adaptation to these rules is a painful experience and it is easy to predict that it may be resisted. Attempts to forcibly obtain various concessions and exceptions may be made by various quarters and individual communities, vocational and professional groups, and enterprises may demand that rules should be modified to meet their needs. All this is dangerous for the reform, but this danger will not be really serious if the party is strong enough to oppose it. However, if the moods of fear and dispiritedness took hold of the party, serious danger would hover over our reforms.

The realization of the political goals of our reforms can also be beset by difficulties and dangers. Expanding democracy and increasing the role of self-governing bodies do not mean that Polish political life will at once achieve the high levels of perfection and that we will make a sudden leap from the world of bureaucratic absurdities to the world of political rationality. Before democratic institutions achieve the necessary wisdom and before self-governing bodies are able to perform effectively, there will be a time during which many fields of our life may function less efficiently than they do now.

All this may produce moods of discontent, impatience, and aversion to democracy. It is precisely against the background of this that that we can note the glaring fact that the fate of the reforms in Poland depends to an enormous extent on the party and its determination and condition. It is the party that must demonstrate consistency and perseverance at every moment when the realization of the reforms encounters obstacles and difficulties. [passage omitted]

One of the basic conditions for realizing the goals of the reforms is the existence of the socialist state, but this does not mean that every form of nationalization is good for socialism. The idea of our reforms is based on the conviction that the present system is bad for socialism. It is true that at one time after the war this system of organization was useful because it facilitated the economic and social development, but that time is over.

Today it is a fact that we are unable under the present system to properly exploit the potential we have accumulated. What is worse, the realization of our principles of social justice is also bad.

As for the questions of social justice, we should note quite frankly that certain forms of exploitation still exist in our socialized economy, although this exploitation is different from the exploitation in the capitalist economy. For example, there are still many people in offices and production enterprises who do little poor work and yet they receive the same wages as those whose output is large and of high quality. There are also people who take advantage of every possible social benefits and privileges, while completely refusing to do anything for the benefit of society. [passage omitted]

Socialism is not a permanently closed collection of recipes of how to organize society and how to achieve happiness on this earth. Socialism is rather a road sign facilitating the search for better methods of life and better forms of social order. The party can fulfill its leading role only if it is able to demonstrate these better forms of social order and to win allies in implementing these forms.

Sejm President Malinowski Interviewed on Reform

AU211301 Vienna DIE PRESSE in German 21 Dec 87 p 3

[Interview with Roman Malinowski, president of the Polish Sejm, by DIE PRESSE reporter Burkhard Bischof in Vienna"last week": "'There Is No Turning Away From the Course of Reforms'"]

[Text] DIE PRESSE: How do you now—after a period of time has elapsed—assess the results of the 29 November referendum which were negative for the Polish leadership?

Malinowski: The fact that more than two-thirds of those eligible to vote, that is more than 18 million of 26 million voters, took part in the referendum, must be considered an expression of strong support for the government's reform program. Because after all, about two-thirds of the 18 million people who participated in the referendum were in favor of radical reforms. Certainly, some parts of the population had a negative attitude toward the reforms—for them the referendum was a means of their political struggle. Another part expressed their criticism of negative aspects and hardships of everyday life with their decision against the reform package. During the second stage of the economic reform eliminating these hardships is envisaged.

DIE PRESSE: A majority of the Polish population have decided against the planned radical economic reforms and against further measures of democratization. Nevertheless, the Polish leadership intends to carry through its reform program, even though not as rapidly as planned. Could this not be interpreted as a certain neglect of the will of the citizens?

Malinowski: Before the referendum, problems in connection with the planned economic reforms had already been discussed in various citizens' assemblies. These discussions particularly showed the worries of the populations about the planned price hikes. Therefore, the Sejm ordered the government to modify the reform program, especially with regard to the too radical price hikes for staple food. In the meantime, the government has presented this modified program for the second stage of the economic reform. The most important issue is that the changes envisaged for 1 year will now be extended to 3 years. But the substance, the goals of the reform remain unchanged.

DIE PRESSE: The Polish leadership has also already announced holding referendums in the future. Which topics could be decided by referendums, in your opinion?

Malinowski: The referendum of 29 November was an important lesson, both for the state organs and for the population. This form of direct democracy inspires joint thinking. Therefore we want to apply it to the questions that have a basic effect on state and people, both nationally and regionally. It is conceivable that the establishment of a second parliamentary chamber that is envisaged within the framework of democratization will be put fo rd to be decided by the people's vote. Many Poles advocate the reintroduction of the office of president instead of the office of chairman of the State Council. This could also be decided in a referendum, in the same way as contentious ecological issues. In Poland there is also a controversy over abortion. Thus, there are a number of issues that interest the people but on which their attitude is not quite clear. In such questions the people's attitude could be used for political decisions.

DIE PRESSE: Has the Polish leadership ever had the feeling that it is under pressure from the IMF or the World Bank in connection with necessary economic reforms?

Malinowski: No. We have studied very thoroughly the IMF and World Bank reports. We have also taken into consideration many of their assessments and suggestions for the second stage of our economic reform. But we have done this in a sovereign way.

Our measures aim at economic balance: The inflation rate is to be reduced from a 2-digit to a 1-digit figure; economy is to be restructured and made more efficient, in all fields the doors are to be opened to the people's enterprising spirit. The economic development is to be debureaucratized and demonopolized and cooperation with other countries is to be strengthened precisely with such measures. The state, cooperative, and private sectors are to be treated equally in the future.

DIE PRESSE: What does the appointment of former Sejm Vice President Miecyslaw Rakowski to the Politburo signify? Can this be interpreted as a strengthening of the reformist wing within the PZPR?

Malinowksi: I, personally, am pleased that Miecyslaw Rakowski has become a Politburo member. I think that this measure is also very important from the Sejm's point of view. I have to stress once again: There is a strong political will in Poland to carry out reforms and Rakowski is an advocate of these measures. There are also opponents to these processes but these are not important forces. There will be no turning away from the line of reform, during which the universal socialist principles will be united with our national tradition and the consequences of our good and bad experiences.

Last week's decisions of the Sejm and of the PZPR Central Committee aim at strengthening the economic reform program and at further democratizing public life. Both processes have to complement each other, as we have learned from the past: In order to carry out economic reforms they must be complemented by corresponding measures in the political area.

DIE PRESSE: It seems to be decisive for Poland's political future that the leadership gains the trust of the population and that the population is motivated for the necessary process of reforms. Is this possible at all in your opinion without also integrating in a certain way the oppositional forces in Poland into the process of political decisionmaking?

Malinowski: This depends on the opposition members themselves. The structures of our state and their further democratic development create the opportunities for all to participate in the process of reforms. Today we have 7 million trade union members, many of them were members of Solidarity before. Just take the Consultative Council at the State Council: Those who wanted to work there were permitted to join this body. Or take the organs for self-government, the political parties, associations, and the Sejm: Everywhere there is basically an opportunity to find a place for participation in work within the existing structures.

The representatives of the opposition exaggerate when they say that without them reforms in Poland cannot succeed. We will carry through the reforms. And the realities that will be created will also eliminate the mistrust of the population. The reforms will also create better conditions to participate in decisionmaking processes. But also in the already existing structures too, representatives of the opposition can actively work for reforms—fully in line with the principle of head of state Jaruzelski: We do not ask where one comes from, but where he wants to go to.

DIE PRESSE: According to this, Lech Walesa could also participate in the reform process?

Malinowski: Of course. But to make one thing clear: We will not create favorable conditions for groups that violate the constitutional order with their activities.

Economist Defends Role of Private Enterprise

PM161015 Opole TRYBUNA OPOLSKA in Polish 17-18 Oct 87 pp 1,4

[Interview with Prof Waclaw Wilczynski, director of Poznan Academy of Economics Institute of Political Economy, member of Consultative Economic Council, by Piotr Gabryel; date, place not given]

[Text] [Gabryel] The position of the private sector in our economy has been receiving a lot of attention in the national debate that precedes our embarking on the second stage of the economic reform. Do you, for instance, envisage the possibility of reprivatizing the Cegielski works, or the Komuna Paryska Shipyard?

[Wilczynski] I do not support the belief that reprivatization of national assets would provide a panacea for all our ills. Here, to avoid misunderstanding, it is necessary to adopt another basic premise: The system of socialist economy adopted in the 1950's (I call it Stalinist notwithstanding the modifications it has undergone along the way) has so far failed everywhere to meet the challenge of the second half of the 20th century, nor has it secured a proper position for the socialist countries in the international arena. This was mainly the fault of confusing central planning with centralist management and putting an incorrect interpretation on the categories of funds and commodities.

[Gabryel] This twofold premise sounds as if you were hedging your bets.

[Wilczynski] That is certainly not what I am doing. I simply believe that the socialized economy—in both its state-ownership and cooperative forms—should be subjected to the economic rigors of rational, modern management. And that those who apply any kind of protective policy to the socialized sector by offering it various forms of privilege and preferential treatment, thereby sanctioning the fact that socialized enterprises may work badly and disregard the economic calculation of costs and profits, pass the death sentence on socialism. Although the execution of such a sentence may be postponed, it cannot be averted. If we are to change this state of affairs we must not lose any time in altering our attitude to people who aim to make net profit and who actually succeed in making it. Our country needs that net profit as much as it needs clear air to breathe. And it does not matter whether these people are in charge of socialized or private enterprises.

[Gabryel] So there is room for private enterprise in the system you propose?

[Wilczynski] Very much so. To put it briefly, that system should allow everything which is not explicitly prohibited. Private enterprise has a particularly important role to play in the food, retail, and services sectors, but equally nothing should prevent it from making a niche for itself in other branches of the economy, in cooperation with heavy industry, the chemical industry, or the construction industry, thereby reinforcing the very necessary factor of competition.

[Gabryel] Today, emigre Poles still find themselves in a privileged position compared with Polish people resident here.

[Wilczynski] This is indeed a humiliating and irrational phenomenon—and not only when viewed from the economic angle alone. To be able to invest one's money in Poland, one needs to leave the country first. In this way we have become inferior here in our own homeland. This state of affairs must be changed if we want the hard currency deposited here in Poland to begin yielding profit for its owners and also for all of us. But first—and here we come back to the question of our attitudes—it is necessary to secure social approval of affluence and of those who are affluent, which is not an easy task in a society as ridden with egalitarianism as ours is. We must make everybody realize that a nation's affluence depends on the existence of an elite of people commanding far above average wealth and ready to take risks with it: entrepreneurs who will be ready to stake everything on one card, but only when they know it is worth their while. For there must be a very good return for taking a risk, both in nonsocialized and socialized economy.

[Gabryel] Not so very long ago I was taught in the economy class at college that bonds and shares sold to the employees of the firms that issue them—in other words, the so-called popular capitalism—constitute just another opiate of the people, an illusion, perpetuated by capitalists, of participating in the distribution of surplus value.

[Wilczynski] This kind of simplification is simply primitive in its naivete. Given our realities, the sale of bonds and shares would provide one more integrating factor, in addition to self-management structures, for enterprise work forces. You treat your work place differently depending on whether it is yours only by name and on ideological grounds or yours because you have a share in it that brings you profit each year in the shape of dividends. Or does not bring profits, if the enterprise is a loser through poor performance—including your own.

[Gabryel] Whenever the private sector is mentioned, the following questions beg to be asked: What limits should be imposed as regards the number of employees, the turnover ceiling, or the incomes ceiling?

[Wilczynski] Economics should never be mixed with administrative methods: It should be guided solely by the principles of pragmatism. So much for the general guideline. In the Stalinist economic system voluntarism and doctrinal prejudices had the upper hand. It is hardly necessary to remind anyone what that eventually led to. As regards the question of limits, I think perhaps it might be possible to restore the full power of the Nationalization Act of 3d January 1946 which has never been revoked although it was restricted through delegated legislation, that is, inferior legislative instruments. The 1946 act contained a provision which permitted the operation in Poland of private enterprises employing up to 50 persons on a single work shift. It is perhaps worth recalling here that in the period when the act was actually in force, that is, in the years 1946-1948, the rate of increase of the national income was the highest recorded in Poland's history. And the claim that that was only the result of deploying the simple reserves which were still at that time latent in our economy does not stand up to criticism.

[Gabryel] Fifty workers on 1 shift, 100 on 2 shifts, and 150 on 3 shifts. Is that still socialism, or is it perhaps socialism no longer?

[Wilczynski] It was precisely this kind of thinking that brought the socialist system to the point at which we are now. That is why, if we are to speak of true reform, of emerging from the state of stagnation in which we have been imprisoned for many years, it is imperative that we cut short all the deliberations on this subject right now. They bring us nothing new and they cause evident public damage.

'Main' Opposition Leader Michnik Interviewed

PM161255 Barcelona LA VANGUARDIA in Spanish 29 Nov 87 p 13

[Interview with Polish "dissident" Adam Michnik by Ricardo Estarriol, date and place not given]

[Text] Warsaw—Professor Sadowski, the man in charge of the economic reform in Poland, on one occasion compared a favorable vote in the Polish referendum to the form which patients sign before entering the operating room, authorizing the doctor to operate on them.

"But there is nobody in Poland who will sign a form for a surgeon about whom it is known that, far from being a surgeon, he is a butcher under whose knife patients have been dying"; this is the drastic practical conclusion drawn by Adam Michnik from Sadowski's comparison. Michnik, one of the main leaders of the Polish opposition, was emphatic: "As long as General Jaruzelski remains at the head of the party and the regime, nothing will change in this country. The reason is that Gen Jaruzelski, who imposed martial law, did not gain by it. And the proof is that, despite winning that 'war,' he would not care to be the man to telephone personally Lech Walesa, chairman of the dissolved Solidarity trade union."

Michnik, who voraciously reads the whole of the Soviet press dealing with "perestroyka" in the USSR, to such an extent that his deliveries of literature in the Cyrillic alphabet are arousing suspicions among his neighbors, was referring to Gorbachev's telephone call to Sakharov, the famous dissident exile, before his confinement in Gorkiy was lifted.

Different From Hungary [subhead]

Nor does the well-known representative of the Polish opposition believe that the situation in Poland at present is comparable with that in Hungary in 1968. At that time the Hungarians, using the Soviet verbal declarations of reformist intentions (Kosygin's abortive reform in the second half of the sixties) to justify their plan, set in motion a new economic mechanism. In Michnik's opinion, the starting points in both countries have some similarities, although the 1956 repression in Hungary was incomparably bloodier than the Polish repression. But the rest is different: In the first place, Michnik pointed out that in 1968 the trauma of 1956 was almost healed, while in Poland the recollection of the dreary winter of 1981-1982 is alive in everybody's memory.

Moreover, Kadar had succeeded in bringing the country from a state of civil war to a certain situation of normality. Third, when he embarked upon the reforms, Kadar had an economically stable situation. And, fourth, Kadar had no opposition either inside or outside the party. In other words: Kadar had considerable scope for maneuver; something that cannot be said of the social scene confronting the Polish general.

Soviet Reform [subhead]

There are observers who believe that Poland—a country weighed down by foreign debt, the interest on which the state is unable to pay—should take advantage of what appears to be the brief historical threshold of the Soviet reform in order to imitate the Hungarian example of 1968.

Michnik does not dispute that possibility but is convinced that Jaruzelski is not the person who can take that step. Michnik is convinced that "perestroyka" terrifies the general. "Just imagine," Michnik said: "Here in Poland the police now confiscate Soviet journals and newspapers dealing with 'perestroyka.'"

Michnik is well aware that the Soviets have not yet carried out significant institutional changes, but regards the de facto political changes as very important. "On the other hand," Michnik remarked, "in Poland we are constantly changing the institutions without being able to emerge from chronic political stagnation."

Michnik is not impressed by the verbal progressiveness noted in the Politburo report currently submitted for study and approval by the Central Committee. "All this is a worthless scrap of paper," the Polish opposition leader said, "because everything that is written or said which does not reach the level of the social agreements signed in Gdansk by Bogdan Lis (Michnik pointed to Bogdan Lis, one of the signatories of the 1980 social pact, who was present at the conversation) is of no interest."

Speaking of the handicaps of Gen Jaruzelski—"the eloquent stammerer"—Michnik said the following: "The general won the war (martial law) against people, but he did not win the war against physical reality." And at this point the restless Michnik expounded what he described as "my modest contribution to the doctrine of Marxism-Leninism," under the title of "the radiator theory."

When the people rebel—the theory says—Gen Jaruzelski summons his interior minister, General Kiszczak, and asks him to send shock units in order to use firearms and imprison people, if necessary. "So consider what happens when the radiators go on strike": Gen Jaruzelski convenes a Central Committee plenum at which a resolution is adopted that the radiators must start working again. But the radiators do not obey. In that event the general sends his detachments to the workplace of the radiators, which still do not obey. The police have to use all means, including nightsticks. In view of the intractable nature of the problem, the general has now reached the conclusion that it is time for "perestroyka."

When I heard this metaphor, I remarked to Michnik that if I write this down, government spokesman Urban will deride the comparison at his weekly press conference next Tuesday. "I do not believe so," Michnik replied: "What Urban will say is that the theory is false because the authorities had signed a social pact with the radiators, whereupon all the problems disappear."

Leaders' Public Appearances 9-15 Dec

AU181452 [Editorial Report] Warsaw TRYBUNA LUDU in Polish monitored from 10 through 16 December reports the following public appearances of Polish leaders (date and page in parentheses refer to TRYBUNA LUDU, unless otherwise stated):

Premier Zbigniew Messner Politburo Member Kazimierz Barcikowski handed over appointment certificates to 61 new professors and assistant professors on 10 December (11 Dec p 2); on 11 December received new Swedish Ambassador Jean-Christophe Oerberg and representatives of the Union of Volunteer Firemen (12-13 Dec p 2); and on 14 December he received Ole Lipmann, chairman of the Danish electronic concern Simonsen and Wells (15 Dec p 2). Politburo Member Kazimierz Barcikowski attended the 14 December Krakow meeting of the Social Committee for Restoring Krakow Monuments. (15 Dec p 8) Jozef Baryla, Politburo member and Central Committee secretary, attended the 11 December Warsaw meeting discussing the role of culture in patriotic upbringing. (12-13 Dec p 2)

Central Committee Secretary Henryk Bednarski attended the 10 December Warsaw session of the Commission of Brotherhood in Arms of the Polish of the Polish-Soviet Friendship Society. (ZOLNIERZ WOLNOSCI 11 Dec p 4)

Jozef Czyrek, Politburo member and Central Committee secretary, received Jan Kinast, Polish ambassador to the United States, on 9 December. (10 Dec p 2)

Zbigniew Michalek, Politburo candidate member and Central Committee secretary, met with organizers of the peasant building competition on 10 December. (11 Dec p 5)

Politburo Member Alfred Miodowicz met with heavy industry trade union activists in Warsaw on 14 December. (15 Dec p 8)

Politburo Member Marian Orzechowski received departing Egyptian Ambassador Muhammad Farouk al-Hennawy on 14 December. (15 Dec p 8)

On 9 December, Politburo Member Florian Siwicki received General Lieutenant Victor Stanulescu, first deputy defense minister of Romania, and General of Brigade Kryspian Hille, who retired from the Polish Armed Forces after 42 years service. (ZOLNIERZ WOLNOCI 10 Dec p 1 and p 2)

Central Committee Secretary Andrzej Wasilewski attended the 11 December Warsaw meeting discussing the role of culture in patriotic upbringing (12-13 Dec p 2); on 12 December attended the opening of the seventh congress of Polish movie-makers (14 Dec p 3); and on 14 December attended the Central Committee meeting discussing publication of books (15 Dec p 8).

Leaders' Public Appearances 16-21 Dec

AU240920 [Editorial Report] Warsaw TRYBUNA LUDU in Polish monitored from 17 to 22 December reports the following appearances of Polish leaders (date and page number given in parentheses):

Wojciech Jaruzelski, PZPR Central Committee secretary and PPR State Council chairman, received prize winners in a national contest of young scientists on 16 December (17 Dec, p 2);

Premier Zbigniew Messner, Politburo members Jan Glowczyk and Zbigniew Muranski, and Politburo candidate member Manfred Gorywoda attended an 18 December ceremony to celebrate 60 years of the radio studios and 30 years of the television studios in Katowice (19-20 Dec, p 9);

Jozef Czyrek, Politburo member and Central Committee secretary, addressed an 18 December meeting of Central Committee lecturers on the subject of the sixth Central Committee plenum (19-20 Dec, p 2). On 20 December, he attended the plenum of the Opole Voivodship PZPR Committee (21 Dec, p 2). On 21 December, he received a visiting delegation from the CPSU Central Committee Department of Liaison with Communist and Workers Parties of the Socialist Countries (22 Dec, p 4);

Tadeusz Porebski, Politburo member and Central Committee secretary, attended an 18 December meeting of the Committee of Scientific-Technological Progress (19-20 Dec, p 9). On 21 December he attended the plenum of the Gdansk Voivodship PZPR Committee (21 Dec, p 2);

On 16 December, Mieczyslaw F. Rakowski, Politburo member and Sejm vice marshal, laid a wreath at the grave of Gabriel Narutowicz, first president of independent Poland in 1918 (17 Dec, p 8);

On 16 December, Marian Wozniak, PZPR Politburo member, received V. Kebich, member of the Politburo of the Belorussian CP, deputy chairman of the Council of Ministers of the Belorussian SSR, and chairman of the Gosplan of the Belorussian SSR. Kebich was in Warsaw to sign a cooperation agreement between the Polish Planning Commission and the Belorussian Gosplan (17 Dec, p 2). On 20 December, Wozniak toured several industrial plants in Koszalin in order to check on productivity and quality (21 Dec, p 2);

Stanislaw Bejger, Politburo candidate member, chaired a meeting of the PZPR Central Committee Maritime Commission on 16 December (17 Dec, p 2). On 21 December, he attended the plenum of the Gdansk Voivodship PZPR Committee (21 Dec, p 2) and attended a meeting held by Politburo member J. Czyrek for a visiting delegation from the CPSU Central Committee Department of Liaison with Communist and Workers Parties of the Socialist Countries (22 Dec, p 4);

Stanislaw Ciosek, Central Committee secretary, attended the 20 December first conference of the National Social Committee of the Voluntary Civic Militia Reserve (21 Dec, p 2);

Kazimierz Cypryniak, Central Committee secretary, received a DPRK delegation headed by Kye Ung-tae, Politburo candidate member and Central Committee secretary of the Workers Party of Korea, who was visiting Poland talks on work for young people in both countries (19-20 Dec, p 9);

Zbigniew Michalek, Central Committee secretary, attended a joint plenum of the Radom Voivodship PZPR and ZSL committees in Radom (17 Dec, p 5). On 17 December, he attended a meeting to celebrate the 35th anniversary of the socialized agricultural employees' weekly ROBOTNIK ROLNY [AGRICULTURAL WORKER] (18 Dec, p 2). On 18 December he attended the Chelm Voivodship PZPR Committee plenum (19-20 Dec, p 9);

Andrzej Wasilewski, Central Committee secretary, attended a 16 December meeting of a Central Committee team responsible for publishing policy. On the same day he met representatives of Soviet culture visiting Poland, headed by Georgiy Markov, CPSU Central Committee member, USSR Supreme Soviet deputy, and chairman of the USSR Writers' Union (17 Dec, p 2).

Further Reportage on RCP National Conference

Olteanu Address 14 Dec

AU230931 Bucharest SCINTEIA in Romanian 16 Dec 87 p 2

[Unattributed report on "Speech by Comrade Constantin Olteanu," member of the PEC of the RCP Central Committee and first secretary of Bucharest Municipality RCP Committee, at the RCP National Conference on 14 December in Bucharest]

[Text] Much esteemed and beloved Comrade Nicolae Ceausescu, much esteemed Comrade Elena Ceausescu, esteemed comrades:

The RCP National Conference, whose proceedings are strongly influenced by the RCP secretary general's masterly report, a program document of the party and of the whole nation, is an event of greatest importance with multiple significance in the current history of our homeland. Giving an account of the brilliant achievements obtained in the work of implementing the party program and the 13th RCP Congress decisions, the report draws up new ways to raise Romanian society to new peaks of progress and civilization—a complex process, indissolubly linked to the prodigious theoretical and practical activity of Comrade Nicolae Ceausescu, the illustrious leader of our party and state, who, for more than 55 years, has been devoting the energy of his creative thinking and his daring activity to the fulfillment of the supreme aspirations of our people.

The result of a thorough knowledge of the dialectics of social life, of the objective laws and the way they work in conditions in our country, and of a thorough study of the problems of our times, the report presented by the party secretary general adds new pages to his masterly, scientific work, which is leading the great revolutionary activity of building the comprehensively developed socialist society—with the people and for the people—and of ensuring progress toward communism. The concepts, ideas, theses, and solutions formulated by the leader of our nation's destinies, Comrade Nicolae Ceausescu, demonstrate that great works that truly light up the roads of our lives can be formulated only by personalities who harmoniously combine theory with social practice and who combine the conclusions that derive from an examination of the past and present experience with the study of the tendencies manifested in the social and historical evolution.

The great picture of the socialist achievements reiterated in the outstanding report of the party secretary general and in the other documents of the National Conference strongly proves the decisive role played by Comrade Nicolae Ceausescu in leading all the activity of developing, modernizing, and correctly distributing the production forces of the country toward continuously perfecting social relations, improving the workers' revolutionary democracy, and shaping the new type of man, with a high level of patriotic and revolutionary awareness and with superior moral characteristics. In implementing all these objectives, an important role is played by science, education, and culture—fields that are led with high competence by Comrade Elena Ceausescu, a front-ranking militant of our party and state, an outstanding personality of Romanian science and technology, and a scientist of world renown.

The comprehensive examination of the international situation and the proposals included in the report on seeking political solutions to the major problems of our times again emphasize our people's devotion to the noble ideas of peace and interstate cooperation, ideas whose tireless promoter, unanimously appreciated in all parts of the world as the great hero of peace, is Romania's president, Comrade Nicolae Ceasescu.

Working for the implementation of the guidelines and recommendations of overwhelming importance given by the party secretary general during the meetings with the bureau of the RCP municipality committee, on the occasion of the frequent working visits he paid to industrial and agricultural units, to working sites, and to research and education institutes, and during the frequent dialogue he held with all categories of citizens, the working people in Bucharest will this year achieve an industrial output over 6 times larger than in 1965—said the speaker. Higher efficiency has been achieved in the fields of electronics, electrical engineering, precision mechanics, means of automation, and fine chemical synthesis by applying the major discoveries in science and technology, and the level of renewing manufacturing processes has reached 43 percent in the past 3 years by applying the results of original scientific research.

In agriculture, the wheat and corn output has been doubled since 1984 and important results have been achieved in vegetable growing and animal breeding, which increased the contribution made by Ilfov Agricultural Sector to supplying Bucharest with agricultural products. The speaker then, reiterated the results obtained by various Bucharest enterprises in fulfilling the plan and the export program stipulated for this year.

Emphasizing that our workers are carrying out steadily paced work to fulfill the provisions of the unprecedented program—initiated and directly supervised by Comrade Nicolae Ceausescu—to bring about the civic and urban modernization of the capital city, with the new political and administrative center, the subway, and the complex work on the Dimbovita River as outstanding representatives of this work, structures that will last forever, the speaker said: Proud of the wonderful achievements that have radically changed the image of our homeland, and proud of every great and solid structure that turns Bucharest into a town worthy of our heroic times, the communists and all working people extend to Comrade Nicolae Ceausescu, the much beloved and esteemed leader of our party and state, and to the much esteemed

Comrade Elena Ceausescu, respectful thanks and profound gratitude for the steady care they show in developing and modernizing our capital city, as part and parcel of the great process of raising the level of civilization in all localities in Romania.

The speaker further said: The results of implementing our objectives could be better if both the municipality party committee and the other party bodies and organizations had worked with greater determination and perseverance to make full use of the great material, human, and scientific-technical potential of our capital city. Although we have adequate programs, they have not been completely implemented in some units, and modernization and development work has not always been accompanied by an appropriate increase in production, in labor productivity, and by an improvement in the quality and durability of products. There are lags in fulfilling the export plan, in observing the energy program and the consumption norms, the established costs, and in firmly applying the principles of self-management and self-financing, as well as in respecting order and discipline.

Drawing the appropriate conclusions from this state of affairs, we will work with greater determination—in accordance with the recommendations that you, much esteemed Comrade Nicolae Ceausescu, gave us during your recent visit to some Bucharest enterprises—to concentrate all the forces of the party bodies and organizations, of the working people's councils, and the creative capability of the technical cadres and engineers on solving the basic production problems included in the approved modernization programs on consistently promoting technological progress, shortening the manufacturing cycle, introducing reusable materials into the economic flow, raising the level of professional training, and generalizing the positive experience of the first-ranking collectives, with a view to substantially increasing labor productivity and obtaining competitive and even better products than some achieved by firms of world renown. We will accord greater attention to raising the technological level of enterprises that manufacture equipment and installations of great importance for our national economy and for export, such as the Heavy Machinery Enterprise, "23 August," "Vulcan," "Republica," "Semanatoarea," and "Turbomecanica" enterprises.

Voicing the will of the communists and of all working people in Bucharest, the municipality party organization pledges that, as of this year, by increasing the intensive development factors, it will obtain a more than two billion lei's worth of additional industrial production and will appropriately fulfill all the plan indexes of the 5-year plan, and will exceed commodity production by ten billion lei; the agricultural units will progress resolutely on the path of implementing the objectives of the new agrarian revolution.

Making a greater contribution to increasing the national wealth is the way in which the strong working detachment of our capital city responds to the steady care of the party secretary general, Comrade Nicolae Ceausescu, for raising the standard of living of all working people, which will be achieved through—among other things—constantly expanding the housing fund, developing the material base of education and of the health care network, and improving and diversifying the sales of goods. This care is again demonstrated in the decision to ensure a 10-percent increase in remuneration and improve the system of benefit payment.

In accordance with the orientations and recommendations you gave us, much esteemed Comrade Secretary General—the speaker further said—we will strengthen the role of the party organizations as leading political and mobilizing forces, and we will work more decisively to increase the responsibility of the party members, regardless of their positions, to ensure the exemplary fulfillment of their tasks, and to unflinchingly observe the Party Statute and the norms of socialist ethics and equity.

By following Comrade Nicolae Ceausescu's assessments and conclusions and the decisions endorsed by the PEC of the RCP Central Committee on 27 November 1987, we will intensify our activity to develop the socialist awareness of the masses, in accordance with the ideological program of the party, in order to fight all manifestations of formalism, leniency, and complacency, and attempts to minimize shortcomings, in order to strengthen the party spirit, criticism and self-criticism, and to ensure—at every workplace—a climate of exigency, responsibility, principledness, and strict observance of order and discipline.

Constantly and enthusiastically following the brilliant example of devotion, self-denial, and boldness with which Comrade Nicolae Ceausescu fights to promote a dynamic and revolutionary style of work in all fields of activity, we will spare no effort to continuously raise the quality and efficiency of organizational and political-educational work, and will see to it that the Bucharest party organization—which includes more than 432,000 Communists, of which 58 percent come from the ranks of working people—will honorably fulfill the tasks incumbent on them.

The speaker further said: In complete unity of thinking and feeling, all the people, together with the communists and all the inhabitants of Bucharest, express their strong adherence to the domestic policy and the dignified and principled international activity of our party and state, consistently promoted by the Romanian president. The numerous visits Comrade Nicolae Ceausescu and Comrade Elena Ceausescu paid to various countries and Romania's activity in the international arena demonstrate the perseverance of our country's actions to establish new, democratic relations based on complete equality among countries and on respect for national

independence and sovereignty, to achieve disarmament, to completely eliminate nuclear weapons, and to establish a better and more just world.

In conclusion, please permit me to fulfill the mission entrusted to me, to express the complete adherence of communists and of all working people in Bucharest to the documents of the National Conference and to express our will and firm determination to do all we can to ensure their implementation. Much esteemed and beloved Comrade Nicolae Ceausescu, together with our pledges, allow us to extend to you our respectful homage and our ardent wishes for much health and work energy in work, in order to further lead us, with the same patriotic devotion and revolutionary enthusiasm, toward the high peaks of comprehensive development and toward the greatness and glory of our dear homeland—the SR of Romania.

Bobu Address 15 Dec

AU222040 Bucharest SCINTEIA in Romanian 16 Dec 87 p 5

[Report on "Speech by Comrade Emil Bobu, member of the PEC and secretary of the RCP Central Committee, at the RCP National Conference on 15 December in Bucharest]

[Text] Much esteemed and beloved Comrade Nicolae Ceausescu, much esteemed Comrade Elena Ceausescu, esteemed comrades:

All our people, closely united around our glorious party and its secretary general, Comrade Nicolae Ceausescu, are experiencing these days strong moments of legitimate patriotic and revolutionary pride and of intensive and fruitful creative activity occasioned by the national conference, an event of the utmost importance for the country's political life, which will open up new and bright horizons for the implementation of the vast process of building the comprehensively developed socialist society and ensuring Romania's progress toward communism.

This high and representative communist forum with profound social and political implications is strongly influenced by the original, creative, and ever-innovative thinking of Comrade Nicolae Ceausescu, RCP secretary general and president of the Republic and eminent communist revolutionary and ardent patriot, who—through the unanimous will of the party and the entire nation—has led our nation's destiny for the past 22 years with brilliant vocation and revolutionary daring and who has asserted himself as the most outstanding hero of our nation and as the brilliant founder of modern Socialist Romania.

It is the great merit of our party secretary general to have elaborated, as far back as the Ninth Party Congress, most valuable guidelines designed to ensure a scientifically substantiated management of all socioeconomic life; it is also to his great merit to have consistently promoted a revolutionary strategy for the intensive, harmonious, and balanced development of the fatherland, which ensures our ceaseless progress and the successful implementation of the targets of socialist revolution and construction.

The results of this creative activity and action, which clearly reflect the exceptional personality of Comrade Nicolae Ceausescu, have also taken concrete shape, beginning 20 years ago, in the establishment of a broad, profound, and unique system of the revolutionary workers democracy—which ensures the effective participation of the masses, in their capacity as owners, producers, and consumers, in running and organizing all socioeconomic activity—thus implementing the thesis formulated by our party-state leader, namely that socialism is being built with the people and for the people.

From this high rostrum, I—like all communists and the entire nation—express most ardent gratitude to Comrade Nicolae Ceausescu for his priceless and decisive contribution to elaborating and implementing our party-state policy, strengthening the party's ranks and cohesion, enhancing its political leading role, and arming the party with its first program, which is of true revolutionary character, as well as for his decisive contribution to the victory of the cause of socialism and peace in the world. With the knowledge that Comrade Nicolae Ceausescu is always at the head of the party and state, we have the sure guarantee of unflinchingly implementing our great ideals and strivings for progress and well-being.

With particular esteem and respect, we also pay profound homage to Comrade Elena Ceausescu, outstanding politician and scientist of high international prestige and renown, for her valuable contribution to elaborating and implementing our party-state domestic and foreign policy and for her prodigious activity devoted to the development of scientific research, education, art, and culture, in accordance with the requirements of the new stage covered by Socialist Romania.

The speaker further said: Comrade Nicolae Ceausescu's brilliant report to the national conference—a true and outstanding summing-up of our party's and people's experience in building the new society—examines, with scientific rigor and a broad materialistic-dialectical vision, the contents and targets of the current development stage of the forces of production and the overall socialist society; it also examines the way in which we are implementing the 13th congress decisions and improving the revolutionary process in the current new stage of socialist construction, thus marking out the guidelines of our socioeconomic progress and the strategy and tactics of our development until 1990 and later up to the year 2000.

With legitimate patriotic pride we consider the victories obtained by our people in the first two stages of building the comprehensively developed socialist society—supplemented by the results in the first years of the current

5-year plan—as being all the greater for having been achieved at a time when the energy and raw material crisis, unemployment, and economic recession are worsening at the world level.

Emphasizing that an important place in Comrade Nicolae Ceausescu's report is taken by the party's role, functions, and revolutionary activity devoted to unflinchingly implementing the historic mission it has assumed, namely to lead clear-sightedly, consistently, and firmly the vast process of socialist and communist construction in Romania, the speaker pointed out that in the years which have elapsed since the Ninth Party Congress, we substantiated—with Comrade Nicolae Ceausescu's decisive contribution—the party's place and mission in our society and the ways and means for exerting its role as the leading political force and vital center of the entire nation.

The speaker then presented the dynamic social structure of the party, stressing that the RCP has become a mass party, which is present in all cells of our socialist society. Never in its long history has it been so strong, and the monolith-like unity and cohesion of communists and all the people around the party and its secretary general are the sure guarantee of the great achievements to date and of future victories on the front of socialist and communist construction.

Proceeding from the requirements and demands arising from Comrade Nicolae Ceausescu's comprehensive scientific analyses—requirements that were strongly reiterated from the high rostrum of the national conference—we are fully aware of the fact that there are still a number of serious shortcomings and deficiencies in the activity of county committees and of communists to fully implement the plan and programs to develop the energy and raw material base and improve the organization and modernization of production. This is something that has led to a situation whereby our achievements in industry, construction, export, agriculture, and other fields are below the planned levels.

Our party secretary general justifiably stressed, on several occasions, that one should not judge the party activity according to the number of meetings held or statements made, but rather according to the way in which the communists and the party bodies and organizations are fulfilling their duties in implementing socioeconomic development plans and the plans for the fatherland's overall development.

Shortcomings in the organizational and political-educational work carried out by certain party bodies and organizations and a lack of concern with the need to strongly assert the role and efficiency of party meetings have led to the persistence, in certain sectors, of acts of indiscipline, tolerance for deficiencies, lack of exactingness, abuses, and other violations of the norms of communist work and life.

Proceeding from the existence of certain phenomena of formalism, bureaucratism, and complacency in work and thought as well as the tendency to justify shortcomings and ignore the role of criticism and self-criticism—something that has diminished the revolutionary spirit from the activity of certain party-state cadres—the speaker said that, on the basis of the relevant PEC decision, all party organizations have discussed in detail and condemned strongly the serious deeds committed in Dolj County; on the basis of lessons and conclusions drawn from these analyses, appropriate decisions were adopted concerning the activity of each party body.

We must admit that these deficiencies also highlight the fact that there are a number of shortcomings in the working style and methods of the organizational and other sections of the Central Committee as well. These shortcomings are evident in the activity to strictly supervise the way in which the party county committees and other party bodies and organizations are fulfilling their role and duties in leading, in a spirit of high responsibility and exactingness, all socioeconomic activity at a regional level. In the organizational and political-educational sphere, we failed to act with the required consistency to unswervingly observe the provisions of the party statute, the instructions of the Central Committee, and the norms of socialist ethics and equity. We failed to take sufficiently firm steps to improve the activity of Central Committee instructors, of the Central Committee apparatus, and particularly of regional instructors and to raise it to the level of requirements often formulated by our party secretary general Comrade Nicolae Ceausescu.

Drawing all appropriate lessons from our activity to date, we are determined to act with maximum exactingness and firmness to radically improve our working style and methods, in order to further improve and properly organize the activity of county party committees; qualitatively raise the content of internal party life; strengthen party-state control at all levels; intensify the political-educational activity; step up the activities of mass and public organizations; ensure the functioning of the bodies of our revolutionary workers democracy in accordance with their prerogatives; and pool and mobilize all human and material forces in exemplarily fulfilling tasks for the fatherland's socioeconomic development.

We will increase the concern with mobilizing our strong party aktiv, which includes in its ranks some of our most valuable cadres, improving the comprehensive training and instruction of cadres, educating them in a revolutionary workers spirit, and ensuring that they thoroughly know and master the party-state policy, the country's laws, and Comrade Nicolae Ceausescu's priceless guidelines and recommendations.

The speaker further said that the evolution of the international situation was yet another brilliant confirmation of the correctness of the basic lines of our party-state foreign policy, which fully reflects the defining features of Comrade Nicolae Ceausescu's revolutionary thinking

and action, his humanism and highly principled ideas, his political clear-sightedness and scientific spirit, as well as his profound capability of investigating and summing up the latest developments, contradictions, and trends of our age and of drawing appropriate practical conclusions.

Comrade Nicolae Ceausescu's brilliant report is a comprehensive and scientific analysis of the world revolutionary process in the current stage and of the basic problems of the contemporary world. It marks out practical ways and means of action to ensure mankind's peace and progress and bring about disarmament, primarily nuclear disarmament.

Through its policy of friendship and cooperation with all nations and through its proposals and actions of large international resonance, Romania is enjoying today an unprecedented prestige throughout the world and its president, Comrade Nicolae Ceausescu, penetrated mankind's consciousness as a brilliant personality of the contemporary world, a great hero of peace.

Guided by a strong and glorious party, the RCP, and being led by a great and bright leader, Comrade Nicolae Ceausescu—a hero among the nation's heroes—all our people are confidently looking forward to their communist future and are optimistically marching forward to its horizons, in a spirit of revolutionary responsibility.

Fully endorsing the theses and orientations included in the party secretary general's report as well as the provisions of other documents submitted to the national conference, the speaker said, please allow me to assure this high communist forum and yourself, much esteemed and beloved Comrade Nicolae Ceausescu, that we, those working in the field of party organizational work, will further act with revolutionary enthusiasm and boundless self-denial and devotion to fully contribute to further strengthening the party's unity, cohesion, and capacity of mobilizing the masses and to unflinchingly implement the 13th Party Congress historic decisions as well as the decisions to be adopted by the Party National Conference.

Andrei 15 Dec Address

AU231304 Bucharest SCINTEIA in Romanian 16 Dec 87 pp 7 and 8

[Report on "Speech by Comrade Stefan Andrei," candidate member of the PEC of the RCP Central Committee and deputy prime minister of the government, at the RCP National Conference in Bucharest on 15 December]

[Text] Much beloved and esteemed Comrade Nicolae Ceausescu, much esteemed Comrade Elena Ceausescu, esteemed comrades:

To begin with, I would like to declare my full endorsement for the analysis, theses, orientations, and tasks of maximum importance included in party Secretary General Comrade Nicolae Ceausescu's report to the national conference, the high forum of Romanian communists and of our people.

The report draws a lively balance sheet of our people's achievements in the years of socialist construction, particularly after the Ninth Party Congress, a period unmatched in our people's millenary history through the scope and size of changes in the economic geography of the country and all counties, through the radical change in people's life, and through the constant growth of the people's material and intellectual well-being. This has been a period of Romania's unprecedented assertion in the international life—as promoter of the supreme aspirations of nations for peace, disarmament, independence, cooperation, and social progress—a period that our people tellingly and concisely called, with patriotic pride, "The Nicolae Ceausescu Era."

Pointing out the particular international importance of the report's analysis of the world political and economic situation, of development trends and existing contradictions at the world level, and of ways and means to solve the main problems of our time in the interest of all nations, we, those active in the field of foreign trade and international economic cooperation, consider the treasure of ideas included in Party Secretary General Comrade Nicolae Ceausescu's report to the national conference as a vast and concrete working program to successfully implement the targets established by the 13th Party Congress.

As Comrade Nicolae Ceausescu has stressed on many occasions, the speaker further said, the fulfillment of programs for our country's socioeconomic development objectively presupposes our participation in the international division of labor and in the world economic circulation and requires an intensification and expansion of our commercial exchanges and economic cooperation with all states, regardless of their social system, on mutually advantageous bases.

This is a basic strategic guideline, which characterizes the entire period since the ninth congress. This leads me to state, from the high rostrum of the national conference, that Romania has joined the ranks of the world's commercial countries, at an accelerated and intensified pace and with diversified and predominantly industrial exports, thanks to our party's secretary general, Comrade Nicolae Ceausescu, who has blended and continues to blend the concept of our country's development in close and efficient connection with the world economy, who is laying down the guidelines and orientations for our foreign trade development, who is supervising in detail, on a daily basis, the fulfillment of our foreign trade program, and who has laid down the task of giving

priority to production earmarked for export and to the foreign trade activity and giving "pride of place" to the fulfillment of the export plan.

As Comrade Nicolae Ceausescu's report justifiably states, in spite of all these positive results, our achievements are not satisfactory. Romania's participation in the world economy is below the potential of our industry and national economy, and the Romanian people's valuable and highly skilled human potential and creative scientific-technical capacity is not up to the particularly favorable framework created by Romania's international activity and policy and by Comrade Nicolae Ceausescu's agreements with many heads of state and government and with various front-ranking representatives of large economic organizations and companies.

The party secretary general justifiably criticized the results of our foreign trade activity in recent years, particularly the fact that the export plan was not integrally fulfilled. However, we must admit that the elimination of many deficiencies depended on us alone, on the way in which we organized our work, on the manner in which we planned and supervised the duties of each worker and each economic unit, and on the efforts made to enhance a spirit of firm order and discipline in implementing all norms and decisions regulating our foreign economic relations.

The tasks set down in the report of the comrade party secretary general represent for all of us working in the sphere of foreign economic relations a true program of work and action, in the implementation of which we pledge to spare no effort and to act with all our skill and devotion. We assure you, esteemed Comrade Secretary General, that we will take firm steps to achieve more efficient exports and to further increase the competitiveness of Romanian products on foreign markets, both from the viewpoint of quality and technical parameters and from the viewpoint of prices. Our aim is to better use, through exports, the productive potential of the national economy, of our own scientific-technological creativity, and the Romanian people's work.

In this respect, there is particular significance in the implementation in the production process of the programs for product modernization, technological development, and the introduction of technological progress, elaborated under the direct leadership of Comrade Academician Doctor Engineer Elena Ceausescu, outstanding politician and statesman of great international prestige. We take this opportunity again to pay her our respectful homage for her work and to wholeheartedly thank her for the orientations and recommendations she gives us in fulfilling present and future tasks in the field of international economic relations.

The speaker then said: In the spirit of tasks arising from the report of the party secretary general, we will have to give priority to fulfilling and exceeding the export plan, on the basis of firm contracts with insurance clauses, which can spare our national economy possible losses resulting from international financial and currency fluctuations; we should also strive to conclude long-term agreements, which can secure a stable and long-term basis for our activity. While paying great attention to increasing exports, we will necessarily have to make all efforts to initiate new economic cooperation ventures with other states in the chemical and petrochemical industry, metallurgy, construction materials, and other fields, bearing in mind the particular role of this modern form of international economic relations, to the conceptual substantialization and practical promotion of which Comrade Nicolae Ceausescu has made and continues to make an essential contribution.

In keeping with the tasks arising from the 1988 plan and in order to fully attain the foreign trade targets of the current 5-year plan, we pledge to achieve—through a thorough canvassing, study, and diversification of foreign markets and through a better preparation of negotiations—a balance of payments that can ensure the implementation of the program to repay our foreign debt. We also pledge to contribute to the efforts to reduce material economic expenditures, thus ensuring a rational administration of the state's current funds.

The fulfillment of the great tasks facing our foreign trade requires constant concern with increasing the political and professional training of all workers in this field. The rapid changes occurring on the foreign markets, the expansion and diversification of trade and forms of cooperation, and the persistence of phenomena of crisis and instability in the world economy require that foreign trade workers should become well acquainted with market and trade habits and with the legislation and trade policy of our partners; they should constantly raise the level of their training and competence and should constantly and unflinchingly defend our country's interests in all foreign trade ventures.

We must and are firmly determined to radically change our working style, by introducing an atmosphere of order, discipline, and exactingness and by eliminating formalism and delays in the resolution of problems and of deficiencies in fulfilling our program of contracts and in supervising their progress and the execution of export orders.

Much esteemed and beloved Comrade Nicolae Ceausescu, expressing sentiments of high regard and warm gratitude for your orientations and guidelines, for your overall concern, and for everything you are doing to further develop Romania's economic relations, the speaker said in conclusion, all communists and working people from foreign trade units pledge to commendably conclude the plan for this year and to thoroughly prepare the ground for fulfilling the foreign trade program for next year. They pledge to secure sure contracts for our export production in advance and to spare no effort and devote themselves with self-denial, devotion, and in a

revolutionary spirit to fulfilling the great tasks incumbent upon them and implementing your valuable recommendations and the national conference decisions, to the benefit of the fatherland's continuous flourishing and progress toward communism.

14-16 Dec Speeches

AU240845 [Editorial Report] Bucharest SCINTEIA in Romanian on 16 December on pages 2-6, and 8 and 17 December on pages 6 and 7 carries 13 reports ranging between 1,000 and 1,500 words on speeches made by top party leaders at the 14-16 December RCP National Conference in Bucharest. All the speeches, which total about 20,000 words, deal in general terms with various facets of socioeconomic life and party activity, with particular emphasis on Nicolae Ceausescu's great merits in fashioning Romania's overall domestic and foreign policy. Most speakers admit the existence of failures in their specific spheres, which are "mainly because of lack of order and discipline and of shortcomings in the activity of certain leadership cadres and working people's collectives," assume full responsibility for them, pledge to work better in the future, and all the speakers fully endorse the documents adopted by the Party National Conference.

Speeches by the following PEC candidate members are reported:

Mihai Marina, first secretary of Constanta County RCP Committee, Ilie Matei, first secretary of Timis County RCP Committee, and Ioachim Moga, first secretary of Cluj County RCP Committee, who mainly deal with local achievements and various shortcomings in their respective counties and who pledge "to do all they can to fullfill plan provisions for 1988 and the entire 5-year period and unflinchingly implement all party-state decisions";

Ion Ursu, vice chairman of the National Council for Science and Technology, who—after effusively praising "the great merits of Comrade Academician Doctor Engineer Elena Ceausescu, scientist of great world renown, in guiding and running all Romanian scientific creation"—says that "in general, the plan for technological progress was fulfilled 104 percent and the production achieved with the contribution of research by 109 percent";

Ana Muresan, chairman of the National Council of Women, who deals with the role and contribution of women in the Romanian socialist society;

Speeches by various Central Committee members with ministerial positions are also reported:

Marin Stefanache, minister of mines, who says that "a number of good results" were obtained in his sector in the first 2 years of the current 5-year plan, namely "the average industrial commodity production increased by 8 percent, the net coal production by 6.2 percent, the coking coal production by 14 percent, and the copper concentrate production by 6.3 percent"; in spite of all this, the minister says that "plan tasks were not fulfilled this year at the main mining products" and pledges that his sector "will deliver more coal to the country in the future";

Marin Enache, minister of metallurgical industry, who points out that "this year, we have applied 38 new technologies and taken into production 142 products and groups of products," but goes on to talk about "deficiencies in the maintenance and repair of installations" and about "disregard for basic principles of work remuneration on the basis of the overall contract system" in the metallurgical sector;

Serban Teodorescu, minister of machine-building industry, who mainly talks about the development of his sector in the past 22 years and provides figures to prove it; thus, "commodity production increased 13 times, industrial production of motor vehicles 5.3 times, tractor production 2.3 times, and bearings production 8 times"; after referring to certain "serious shortcomings," such as "excessive energy consumption, redundant stockpiles, and nonfulfillment of export tasks by various units," the speaker promises to "fulfill next year's plan, which stipulates at 14.7 percent increase in the commodity production and an 18 percent increase in labor productivity";

Gheorghe Dinu, minister of heavy equipment, who says that "in the first 11 months of this year, we achieved 2.2 billion lei-worth of commodity production more than last year and a labor productivity increase of 5,200 lei per person; however, the speaker adds that, because of various shortcomings, his sector "failed to fulfill plan provisions for 29 ranges of products, which caused hardships in the oil, metallurgical, and mining sectors"; in conclusion, he pledges to do his best to "ensure the full use of our research and design potential to implement all priority programs, particularly the nuclear program";

Ion Teoreanu, minister of education and instruction, who deals with the role of education in "fashioning the new man, conscious builder of the new society" and with the need to "strengthen links between education, research, and production"; his speech contains many in expressions of thanks to Elena Ceausescu, "eminent politician and scientist of world renown, who is leading our field with scientific exactingness and revolutionary devotion";

Ion M. Nicolae, minister of chemical industry, who, after paying due tribute to Elena Ceausescu's "great merits" and "priceless assistance," says that "compared with 1985, the commodity production increased by 9.7 percent and labor productivity by 14.7 percent"; in spite of all this, he talks about "lags in fulfilling plan provisions" and about "failure to achieve the planned investments in

this sector," something which had a "negative impact on other economic branches"; in the light of the justified criticism leveled at the conference, he pledges to "radically improve all activity;"

Maria Flucsa, minister of light industry, who says that—in spite of the fact that "production has increased 6.6 times in the past 22 years at an annual growth rate of 9 percent" and that "the degree of use of raw materials, energy, and fuel is 22 percent higher than 1985"—this year "efficiency indicators are still below plan provisions."

SCINTEIA also reports on a speech by Ioan Toma, member of the RCP Central Committee and first secretary of the Union of Communist Youth, who deals with tasks incumbent upon the young generation in "unflinchingly implementing the programs for the country's comprehensive socioeconomic development."

Dobrescu 16 Dec Address

AU241121 Bucharest SCINTEIA in Romanian 17 Dec 87 p 7

[Unattributed report on "Speech by Comrade Miu Dobrescu," member of the PEC of the RCP Central Committee and chairman of the General Union of Trade Unions, at the RCP National Conference on 16 December in Bucharest]

[Text] Much beloved and esteemed Comrade Secretary General Nicolae Ceausescu, much esteemed Comrade Elena Ceausescu, esteemed comrades:

The national conference, this high democratic forum of the party, is an event of particular importance in the life of the party and the people. It is an event which, through its documents and the issues it discussed, joins the great historical events of the country.

The report presented by the RCP secretary general, Comrade Nicolae Ceausescu—through its scientific strictness, the thorough examination of the process of the homeland's socialist construction, and the realistic and responsible approach to the major issues of the international situation—again emphasizes the outstanding personality of our illustrious leader and the decisive role he plays in drafting and implementing the domestic and foreign policy of our party and state.

All of us witness the truth that the current period, inaugurated by the memorable ninth RCP Congress, is characterized by great revolutionary changes and by unprecedented achievements in all areas of the material and cultural life of Romanian society. We are profoundly grateful to the hero at the helm of our party and state, Comrade Nicolae Ceausescu, who, with his revolutionary and renewing spirit and with his great ability to grasp, scientifically and in a visionary way, the course of events in all their complexity and with all their connections, has been, is, and will always be the sure guarantee of the successful progress of our country toward the high peaks of communist civilization.

From this high rostrum, allow me to express the thoughts and feelings of ardent love and gratitude of millions of working people and trade union members, who pay homage with their hearts and minds to the party secretary general, for everything he has done and is doing, with boundless self-denial and great devotion, for the prosperity, dignity, and happiness of the Romanian people.

The account of the socialist achievements excellently reflected in the flourishing of science, education, and culture is directly linked to the very important contribution and work carried out with self-denial and in a fervent revolutionary way by Comrade Academician Doctor Engineer Elena Ceausescu, a front-ranking personality of our party and state and an outstanding scientist of world renown, to whom, on behalf of the trade union members, we extend profound feelings of respect and appreciation and to whom we pay warm and respectful workers' homage.

The speaker further said: To the party secretary general, Comrade Nicolae Ceausescu, we owe the concept of the construction of socialism with the people and for the people, which has an axiomatic value. On the basis of this concept, through the initiative and tireless efforts of our party and state leader, an original and unique system has been created and institutionalized—the system of workers revolutionary democracy. Throughout the years, this system has proved its vigor and efficiency in mobilizing the creative power of the working people. Within this fortunate framework and following the guidelines and recommendations of our party secretary general, the trade unions have become an important link in our social chain—from the enterprise up to the government—with important responsibilities in the process of implementing all party policy.

The trade unions have placed and continue to place at the center of their activity the fulfillment of the state plan and of the major programs on perfecting the organization and modernization of production, with a view to increasing labor productivity, raising the technological and quality level of products, making better use of raw materials, reducing consumption, and reintroducing reusable materials into the production flow. All of these targets basically aim at implementing the party guidelines on ensuring the intensive development of the national economy and increasing efficiency in all fields of activity.

Working in accordance with the requirements drawn up by our secretary general, namely that each enterprise should become a fortress of revolutionary work and of responsibility for developing socialist property, correctly using all resources and the technical and material base,

the trade unions, led and guided by the party organizations, have consistently worked to generalize workers' initiatives in order to stimulate and intensify the spirit of thrift, to fight all forms of waste, and to attain a high efficiency in all areas.

We report to the Party National Conference that, in the past 9 months of this year, the trade unions have registered savings of products worth more than eight billion lei, representing savings of raw and other materials, energy, fuel, and reconditioned spare parts and subassamblies. The speaker then noted that, making the best use of the creative potential of workers, technicians, and engineers, the recent issue of the national "Song to Romania" festival achieved positive results by drawing into the activity of scientific-technical creation more than 114,000 workers, who came up with about 15,000 inventions and innovations, with a projected efficiency of almost 20 billion lei.

Examining our activity in the spirit of the high requirements that clearly derive from the report of our secretary general, Comrade Nicolae Ceausescu, and from the decision the PEC adopted on 27 November 1987—the speaker further said—we should admit that one can still find manifestations of formalism and routine work, of indolence in the way of thinking and working, and a lack of workers' steadfastness in all areas of our activity, including the Central Committee, as well as in our activity to participate in the work of the bodies of workers' self-management. An insufficient receptiveness to the great issues of our life can be also noted, mostly within the basic organizational entities in enterprises and worksites. There are still many shortfalls in our activity to establish a firm climate of order and discipline and of maximum responsibility for the quality of products and to instill a new, revolutionary way of thinking, in which the expression "it is impossible" should be eliminated from our vocabulary and, primarily, from our mentality and from our activity. That is why the mobilizing and ardent calls of our secretary general make us realize the imperative need to urgently eliminate all these shortcomings and increase efficiency in the activity of our trade unions, and see to it that all our activity makes a tangible contribution to the complete fulfillment of the plan in all sectors.

Our nation's desire for peace, which emerges from the depths of its troubled history—simply but suggestively expressed in the verses of a poet "What do you want? Us, simply peace,"—is a desire that is carried to all the countries of the world by "the great hero of peace among nations," the RCP secretary general and Romania's president, Comrade Nicolae Ceausescu, with his great vigor, revolutionary enthusiasm, and the greatest confidence in peace and in the bright future of mankind. That is why we express our complete accord with the foreign policy of our party and state.

Expressing my complete adherence to the ideas included in the masterly report of our party and state leader, a report which is a political and ideological document and has great programmatic value—the speaker said in conclusion—we solemnly pledge to the national conference and to you, much beloved and esteemed Comrade Secretary General, to do all we can to unswervingly follow the example of your work and life, your calls, guidelines, and recommendations and to increase the contribution of the trade unions to the great work of building socialism and communism in Romania.

Being fully aware that everything we have attained for our country and for our people, including the outstanding and prestigious place of Socialist Romania in today's world—attained during years that have forcefully gone down in the history of our homeland bearing the symbolic name "the Nicolae Ceausescu Era"—has been achieved thanks to you, much beloved and esteemed comrade secretary general. We extend to you heartfelt wishes for many years of complete health and for the same tireless and exemplary power in work that you always display, as the guarantee for the homeland's continuous progress toward the bright peaks of communism.

Ursu, Balan Addresses 23 Dec

AU231945 Bucharest AGERPRES in English 1756 GMT 23 Dec 87

[Excerpts]—Bucharest, AGERPRES, 23/12/1987—In the presence of Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, the Sixth Session of the Ninth Grand National Assembly [GNA] resumed works on December 23. [passage omitted]

In the afternoon, the proceedings were held in plenum.

The chairman of the Commission for Industry and Economic-Financial Activity, Ion Ursu, read the report of the GNA standing commissions which analized and approved the bill of the single national plan of Romania's socioeconomic development for 1988, the bill of the plan of the development of agriculture, food industry, silviculture and water management and the bill of Romania's state budget for 1988.

Next, Radu Balan, vice-chairman of the constitutional and legal commission, read the report of the GNA standing commissions which analyzed and approved the bill regarding the setting up of the Higher Council of Romania's Economic and Social Development.

Many deputies took the floor during the joint general debates on the bills and the programme on the agenda.

The proceedings of the session continue.

Ciobanu Report on Self-Management

AU231920 Bucharest AGERPRES in English 1852 GMT 23 Dec 87

["GNA Debates: The Self-Management and Self-Sufficiency Programme For the Population's Proper Supply With Food Products and Consumer Goods For 1988"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 23/12/1987—Empowered by the government, Deputy Prime Minister Lina Ciobanu presented this document to the Grand National Assembly of Romania, stressing that the programme provisions observe the principle according to which the population's supply depends directly on the fulfilment of the plan and that they take into account the resources, the scientifically substantiated and diversified demands, function of population, share of working personnel, efforts made in production.

The programme includes important provisions on the deepening of the principle of self-management and self-sufficiency by territorial units. The establishment of the number of animals that can be slaughtered in each county increases the responsibility of the local bodies for the breeding and fattening of the livestock necessary for the population's good supply. These councils, as self-management and self-sufficiency bodies, should take firm measures for the ensurance of the livestock set and of live weight, as well as for the fulfilment of the tasks concerning the deliveries to the market stock. If live weight provisions are topped, the production increase is to additionally supply the local consumption stock. If live weight provisions are not fulfilled, the number of animals planned for the respective county will not be supplemented.

According to the programme provisions, in comparision with the previous achievements, the delivery of products ensures larger quantities of meat, meat products and preparations, of fish and fish products, of milk, fresh dairy products, sorts of cheese, field vegetables, potatoes, fruit, grapes and others.

So, a per capita meat consumption of nearly 70 kg is provided for in 1988, and this quantity will rise through canned meat and meat preparations. An average fish consumption of some 15 kg per inhabitant is also stipulated.

Adding to the livestock and the quantities of foodstuffs to be supplied through the state stock are the number of animals and the quantities of farm-food produce obtained in the population's homesteads as well as the quantities of cereals, vegetables and potatoes the cooperative farmers receive in compensation for their work.

Growing quantities of textile and footwear are also envisaged through the more intense development of the high quality, extra and de luxe production.

The speaker also showed that the programme ensures the population's appropriate supply with high-tech and high-quality industrial products in a wide range.

Further on Grand National Assembly Meeting

1988 Plan, Budget Laws Passed

AU241143 Bucharest AGERPRES in English 0810 GMT 24 Dec 87

[Text] Bucharest AGERPRES 24/12/1987—The Grand National Assembly of Romania unanimously endorsed the following normative acts in the agenda of the sixth session of the ninth [legislature of the] GNA: Law on the National Plan of Socioeconomic Development of Romania in 1988; Law on the Plan of Development of Agriculture, Food Industry, Forestry and Water Management; Law on the State Budget of Romania in 1988; Programme of Self-Management and Self-Supply to Secure a Proper Supply of the Population with Foodstuffs and Industrial Consumer Goods in 1988; Law on Setting up the Supreme Council of Economic and Social Development of Romania to Work Out Long-Term Guidelines and the National Plans of the Country's Economic and Social Development.

Elena Ceausescu Addresses GNA

AU241144 Bucharest AGERPRES in English 0954 GMT 24 Dec 87

[Text] Bucharest, AGERPRES, 24/12/1987—The solemn session devoted to the 40th anniversary of proclamation of the republic in Romania took place at the Grand National Assembly Palace in Bucharest, on December 24 in the morning, in the presence of Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of Romania. From the rostrum of the solemn session, Elena Ceausescu, member of the Executive Political Committee of the CC of the RCP, first deputy prime minister, took the floor.

Further on Republic Day Session

AU241854 Bucharest AGERPRES in English 1726 GMT 24 Dec 87

[Text] Bucharest, AGERPRES, 24/12/1987—In the presence of the general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, Nicolae Ceausescu, a solemn session of the Grand National Assembly [GNA] was held on Thursday, December 24, devoted to the 40th anniversary of the proclamation of the Republic, a highly significant event that marked a new stage in the national history, the passage to the building of socialist society in Romania.

Beside President Nicolae Ceausescu and Elena Ceausescu, sitting in the official boxes were members of the Executive Political Committee of the CC of the RCP, and members of the State Council of the Socialist Republic of Romania.

Members of the CC of the RCP, members of the government, executives of central institutions, mass and public organizations, representatives of the scientific and cultural life, working people of large economic units in Romania's capital attended as invited guests.

Present were heads of diplomatic missions accredited to Bucharest, as well as foreign journalists.

The chairman of the Grand National Assembly, Nicolae Giosan, declared open the solemn session devoted to the 40th anniversary of the Republic's proclamation.

Elena Ceausescu, member of the Executive Political Committee of the CC of the RCP first deputy prime minister, chairman of the National Council of Science and Education, took the floor on the occasion.

Followed with keen interest, the speech was frequently punctuated by applause.

GNA Session 24 Dec

AU241520 Bucharest AGERPRES in English 1147 GMT 24 Dec 87

[Text] Bucharest, December 24, 1987—In the presence of Nicolae Ceausescu, general secretary of the RCP, the works in plenum of the sixth session of the ninth term of the Grand National Assembly (the parliament) continued in the morning of December 24.

Together with President Nicolae Ceausescu in the official stalls took their seats the members of the Executive Political Committee of the CC of the RCP and the members of the State Council.

Members of the CC of the RCP and of the government, heads of central institutions, mass and public organizations, representatives of scientific, cultural and artistic life, as well as of collectives of Bucharest working people, were in the hall, as invited guests to the session.

Joint general discussions continued during the session on the bills on the agenda.

Addresses were made by deputies Emil Huidu, Alexandru Gagu, Serban Teodor, Ion Florentin Sandu and Constantin Zamfir.

The Grand National Assembly, after discussion by articles, endorsed unanimously the bill of the single national plan of socio-economic development of Romania in 1988, the bill of the plan of development of agriculture, food industry, silviculture and water administration, the bill of the state budget of Romania for 1988.

The plans endorsed, part and parcel of the provisions of the 1986-1990, are in full harmony with the objectives established by the 13th Congress and National Conference of the RCP, with the requirements of intensive development of the national economy and ensure the steady growth of the productive forces, of the national wealth, of the welfare of the whole people. They ensure the strong mobilization of all material and human resources of the national economy in view of translating into life the party program of building the multilaterally developed socialist society and Romania's advance to communism.

The Grand National Assembly also endorsed unanimously the program of self-management and self-sufficiency for ensuring the proper supply of the population with farmfood stuffs and industrial consumer goods in 1988.

The Grand National Assembly then unanimously endorsed, after discussion by articles, the bill of foundation of the Supreme Council of Economic and Social Development of Romania, having the role to elaborate long-term orientations and single national plans of social and economic development of the country.

At the last item on the agenda, the presidential and State Council secretary, Dumitru Apostoiu, presented the memorandum to the bills of endorsement of the decrees comprising norms with power of law issued by the State Council. The chairman of the GNA Constitutional and Legal Commission, Ion Salajan, presented the commission's report that endorsed the bills.

After discussion by articles, the Grand National Assembly unanimously endorsed the bills of approval of the decrees comprising norms with power of law issued by the State Council. As the agenda was completely discussed, the chairman of the Grand National Assembly, Nicolae Giosan declared the sixth session of the ninth term of the Grand National Assembly closed.

Assembly Committees Deadlock on Economic Plan

Committees 'Harmonizing' Views

AU261719 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 26 Dec 87

[Text] After a 2-day break, the working committees of the SFRY Assembly Chamber of the Republics and Provinces continued harmonizing their views on the 1988 economic resolution. Olivija Rusovac reports:

The well-known big differences in the positions of the Assemblies of the Republics and Provinces were merely confirmed at a meeting of the chairmen of the delegation this morning. The delegations have been empowered to continue the harmonization of views, but it seems that the point has been reached where it cannot be overcome at this moment, because both the delegations and the FEC firmly defend their positions.

It cannot go on like this, Dusan Pupovski, delegate of Macedonia, said. Everybody keeps his own tactics in his pocket, but it would be good if we all informed each other about them. In other words, Pupovski proposed that the delegations and the FEC lay their cards down on the table, so that one could see at once to what extent it is possible that the unresolved problems can be agreed upon.

The committees are obviously facing a deadlock, and the delegates are looking for other ways out. In the meantime, the FEC meeting has been examining the positions of the republics and provinces, and the committees have adjourned until 1500. Under such circumstances, when it cannot be seen how the delegations will reach an agreement among themselves and as regards the FEC, a meeting of the chairmen noted that the conditions are not ripe for convening a session of the Chamber of the Republics and Provinces tomorrow so that the resolution may be adopted.

Chamber Session Postponed

LD261900 Belgrade TANJUG Domestic Service in Serbo-Croatian 1516 GMT 26 Dec 87

[Text] Belgrade, 26 Dec (TANJUG)—A session of the SFRY Assembly's Chamber of Republics and Provinces planned for tomorrow is being postponed because stances have still not been resolved on the draft resolution for next year and the other acts scheduled for adoption at this session. The new date for the session—as was agreed at today's meeting between Drasko Popovic, president of the Chamber of Republics and Provinces, and the chairmen of the delegations—will be determined at a later date and will depend on the results of the agreement process, which will be held without interruption for the next few days.

After the meetings of yesterday and the day before of the republican and provincial assemblies, all the delegations have been authorized to continue to seek agreement, but their original stances have not been changed in any major way. This means that the continuation of work will be very complicated and uncertain.

All working bodies this afternoon continued the process of coordinating stances, and work on this will be going on tomorrow as well. In view of the fact that there now is limited time left (the resolution should be adopted before the new year), Drasko Popovic, president of the Chamber of Republics and Provinces, appealed to all delegations to make maximum efforts to bring this work to end. Zoran Miskovic, secretary general of the FEC, did the same.

Chamber To Meet 29-30 Dec

LD261909 Belgrade TANJUG Domestic Service in Serbo-Croatian 1544 GMT 26 Dec 87

[Text] Belgrade, 26 Dec (TANJUG)—The SFRY Assembly's Federal Chamber will approve the draft amendments to the SFRY Constitution at a session scheduled for 29-30 December.

This will be the last Chamber session this year, and the 1988 Federal budget should also be adopted during the session.

Finance Committee 'Unresolved'

LD272243 Belgrade TANJUG Domestic Service in Serbo-Croatian 1358 GMT 27 Dec 87

[Text] Belgrade, 27 Dec (TANJUG)—In the Chamber of Republics and Provinces Finance Committee, there was agreement today on the (?draft) law on the total volume of the Federal Budget and the time when it goes into force. Everything else is unresolved, since only Montenegro agreed that the Federal Budget amount to 5,769 billion 8,000,000 next year.

Stressing that they appreciate the arguments put forward by the FEC for the proposed level of the budget and the structure of revenue, the other republics and provinces insist that the budget, as well as their contributions, be reduced.

Croatia, for example, believes that the budget should remain, in real terms, as it has been this year, because funds cannot be secured for its real growth in real terms and it does not accept the explanation of Svetozar Rikanovic that the final account of the budget for this year will show that the proposed volume is 4 percent less than last year's. Vojvodina is also against the budget's growth in real terms.

The Slovene assembly obliged its delegates to advocate a reduction in the budget. Serbia is requesting that the contributions from the republics and provinces grow to the same extent as the amount of inflation next year (in other words less than that proposed by the FEC) and Bosnia-Hercegovina also stresses its objection to the level of contributions.

The requests by Kosovo for an additional 17 billion 5,000,000 dinars for resolving problems in financing social and other services in the province have introduced new complications into the coordination of stances on the volume of the budget. These problems, it was stressed several times, have become dramatic because the conclusions of the Chamber of Republics and Provinces on this have remained a dead letter and have introduced new complications into the coordination of stances on the volume of the budget.

The FEC assesses that it cannot secure such funds but that it is offering several different means for securing at least part of them. For example, 5 billion in the Federal Budget for next year and a promise that a solution be found during the next year for the remainder as well.

Credit Committee 'Divided'

LD272051 Belgrade TANJUG Domestic Service in Serbo-Croatian 1607 GMT 27 Dec 87

[Excerpt] Belgrade, 27 Dec (TANJUG)—Most of the stances on economic policy for next year have been coordinated, but agreement is still has to be reached on essential solutions, especially those that affect material relations in the federal units—said Aleksandar Kalmar, chairman of the SFRY Assembly's Chamber of Republics and Provinces Credit and Monetary System Committee, summing up the results of the debate at the beginning of the second round of the coordination of stances on the resolution and accompanying documents for 1988.

The differences are very noticeable, particularly on the question of the degree of the restrictiveness of credit and monetary policy. Delegates are divided in their views not only vis-a-vis the stance of the FEC but also amongst themselves as well. The government is proposing a restrictive policy whilst suggestions from delegates are aimed at moderating it somewhat. [passage omitted]

FEC Discusses Economic Issues, Gun Law

LD260931 Belgrade TANJUG Domestic Service in Serbo-Croatian 1511 GMT 25 Dec 87

[Excerpt] Belgrade, 25 Dec (TANJUG)—At its session today, the FEC, presided over by Janez Zemljaric, set up an expert political commission that will prepare draft documents for the development of the economic system. In the course of its work, the commission will brief the Federal Secretariat for Information on the foundations for changing the economic system, on the long-term economic stabilization program, on the program to curb inflation and stabilize the economy, as well as on the latest achievements and needs of current economic times. It will also take into consideration the forthcoming constitutional changes on the economic system.

The commission will consist of representatives of the republics and provinces, federal organs, expert and scientific circles, and of the economy, and it work will be conducted by Branko Mikulic, president of the FEC.

The commission will devote the greatest attention to changes in the system of expanded reproduction, the sphere of market and prices, to the formation and distribution of income, to financial and economic relations with foreign countries.

Apart from the commission, expert teams will be set up to monitor the implementation of specific tasks contained in the program to curb inflation and to stabilize the economy. Solutions will also be proposed for the implementation of specific tasks in this program in order to create conditions for ending the situation of temporary intervention measures.

The FEC also examined and adopted a report on the activities of the internal organs to resolve the situation in the sphere of keeping and carrying weapons, wiping out smuggling, and unmasking and confiscating weapons that citizens are carrying without a permit. The FEC noted that in recent years the internal affairs' organs contributed to efforts to eliminate certain weaknesses in this sphere and consequently increase the safety of citizens. However, there are still numerous instances of abuse, especially in Kosovo. The FEC also established that there are differences in conditions and criteria for approval of the supply, carrying, and possession of weapons in the laws of the republics and provinces that regulate this sphere. This should be eliminated. [passage omitted]

Krunic Chairs Group Preparing LCY Conference

LD241811 Belgrade TANJUG Domestic Service in Serbo-Croatian 1417 GMT 24 Dec 87

[Text] Belgrade, 24 Dec (TANJUG)—The main objective of the LCY conference that will be held in March next year should be to take concrete actions for strengthening the ideopolitical, organizational, and action unity of the LC in order to overcome the economic and social crisis.

This conclusion was reached at the first meeting of a working group for the preparation of the LCY conference, which was presided today over by Bosko Krunic.

Starting from the orientations and stands of the 13th LCY congress, the conference should critically assess the shortcomings, resistances, and obstacles in their implementation and offer a clear answer to the questions of why the situation is such and how to overcome it.

For the more than 700 delegates who will attend this conference, it will also be unavoidable to reexamine the situation and relations in the LC, its organization, and its capability for a speedier and more efficient solving of the biggest problems of our society.

Debates in basic organizations of the LC will be held in February and the first half of March, on the basis of the theses which the members of the working group will prepare this month and next month.

Author of Letters on 'New' Party Arrested

LD261643 Belgrade TANJUG Domestic Service in Serbo-Croatian 1305 GMT 26 Dec 87

[Text] Sarajevo, 26 Dec (TANJUG)—Branko Tuco, a retired metallurgical engineer, has been detained in Zenica because of the existence of evidence that he committed a criminal act under Article 203 of the penal code of the Socialist Republic of Bosnia-Hercegovina, and criminal charges against him have been submitted to the basic public prosecutor in Zenica. According to a statement issued by the security service's center in Zenica, workers of the center, in collaboration with colleagues in the Socialist Republic of Slovenia and with the assistance of a number of working people from Zenica, have established that Branko Tuco, born in 1925 in Zenica and a permanent resident there, is the author of several untruthful and hostile anonymous letters that he signed on behalf of an "independent Yugoslav trade union" and a "new Communist Party of Yugoslavia" and sent to editorial boards of daily and weekly papers. He sent the letters from Zenica and other places in the country for the purpose of creating the impression that a "new communist party of Yugoslavia" and an "independent Yugoslav trade union" had really been formed and were in existence.

The publication in a weekly of some of these letters, the statement says, provoked disquiet among the public and drew reaction from working people and citizens not only in Zenica, but throughout Yugoslavia as well.

Background on Author

LD271144 Belgrade TANJUG Domestic Service in Serbo-Croatian 1500 GMT 26 Dec 87

[Text] Sarajevo, 26 Dec (TANJUG)—A statement issued by the security service center in Zenica indicates unambiguously that Branko Tuco, a pensioner from Zenica, sent anonymous letters to MLADINA and some other papers in Yugoslavia in which, besides the lies about the founding of a new Yugoslav communist party and independent trade union, sullied the name and accomplishments of Josip Broz Tito, Socialist Yugoslavia, our sociopolitical system, the state and party organs, and federal and republican officials. In his apartment at no. 3 Ratomir Perendija Street in Zenica, 182 letters "addressed to the public" and using 30 different pseudonymns have been discovered. Included among them are those two anonymous ones about the alleged existence of an illegal new communist party of Yugoslavia and Independent Trade Union of Yugoslavia, published by Ljubljana's MLADINA, with the request that a copy "of the latter be sent to the SPIEGEL correspondent in Yugoslavia."

Who is Branko Tuco, "founder" of a "new communist party" in which he is the only member? The statement says that he is a retired metallurgical engineer born in Zenica in 1925 and Serbian by nationality. In the environment in which he worked, he caused bad interpersonal relations and in 1974 he was expelled from the LCY for singing Ustasha songs. His way of life was such, say those who know him, that his internal revolt was in no way caused by his poor material position. What then inclined him to persistently write letters hostile in content which ended up in the waste baskets of many Yugoslav editorial boards? Obviously he was waiting to "catch" one of them like MLADINA in his hostile trickery.

The public at large is well aware of the reaction that the publication of the first letter in MLADINA met with throughout the country and especially among workers in Zenica. However, the sequence of events after this, under the watchword "where there is smoke there's fire", shows that neither Branko Tuco nor MLADINA were inactive. On the contrary, by all accounts, dissatisfied that only MLADINA entered into his dirty game, he sends another letter of the same content, but this time from Belgrade, where he was passing through. Enclosed with it he sends an accompanying "explanation" that MLADINA did not surreptitiously give anyone an unpleasant surprise. Another letter he signs "Central Committee of the new communist party of Yugoslavia" and "presidium of the independent trade unions of Yugoslavia." At the same time, giving a false name, Tuco invites three MLADINA journalists over the telephone to a village near Zenica in order to acquaint themselves "with the new leadership," whereupon a team of three journalists arrives at the agreed place. Not finding the real Relja, the false name given by Branko Tuco, but a miner with the same nickname, who was left confused, not knowing what this was all about, the journalists, disappointed "at not obtaining material" for the launching of "the news" about the existence of parllel political organizations in Yugoslavia, returned to the editorial board empty-handed.

In the democratization of public life, when it is more than essential to consider our reality critically, the circulation of hostile falsehoods is quite certainly nothing other than a perfidious way for an individual to strike a blow at the foundations of AVNOJ [Antifascist Council for the National Liberation of Yugoslavia] Yugoslavia.

Gacic Addresses LCY Presidium Secretaries

LD241818 Belgrade TANJUG Domestic Service in Serbo-Croatian 1257 GMT 24 Dec 87

[Excerpts] Belgrade, 24 Dec (TANJUG)—A session of the LCY Central Committee which, after a decision passed at the Central Committee's last session, will consider the issues of organization, method, and substance of work of the party's top body, is expected to be held either at the end of January or beginning of February. This was said during a meeting between Radisa

Gacic, secretary of the LCY Central Committee Presidium, and the secretaries of the Presidiums of the LC Central and Provincial Committees.

In the course of the preparations for the session it will be necessary, Gacic said, to proceed from the experience drawn from the Central Committee's work up to now. Most of the shortcomings and problems are to be found in a very lengthy and inefficient process of formulating stances and decisions, delayed reaction to existing tendencies and events in society, inefficiency in implementing adopted policies, inadequate links with the party grassroots, etc.

Radisa Gacic is of the view that the debate about the method and substance of the work of the Central Committee and its organs could not be approached as merely a technical and procedural issue as the formulation and implementation of its policy is, above all, an important ideopolitical issue. In other words, both during the preparations and at the session itself it will be necessary to examine how and to what extent the LC, under given social circumstances, fulfills its leading ideopolitical role. Of course, Gacic added, it is possible that some of the issues will be raised that call for certain statutory changes in the way the party "top" is organized. However, this is something to be discussed during the preparations for the 14th LCY congress.

It is therefore necessary to establish practical reasons behind the delays and problems in developing and implementing adopted policies. Otherwise, Gacic stressed, the LCY's ideological and political integrity will continue to be jeopardized by trends towards federalization, by defending and imposing, at all costs, one's own standpoints and interests and by violating the principle of democratic centralism.

In both the introductory report and ensuing debate reference was made to a number of positive changes in the work of the party leadership. For instance, proposed stances are increasingly frequently formulated in a democratic and critical atmosphere; some of important social issues are discussed within the framework of broad-based consultations and even an all-party debate; conclusions are more often followed by operative programs for their implementation, etc. However, despite all this, the fact remains that the LCY Central Committee and its organs and bodies have been slow in adapting to the considerably different social circumstances. [passage omitted]

Milomir Minic noted that since the 11th LCY congress, the LCY has been unable to find its way in fulfilling its leading ideopolitical role in society. One of the reasons for such a state of affairs, according to Minic, lies in the fact that the LC lacks in creativity and initiative.

Today's first round of the exchange of views has shown that the debate about the method and substance of the LCY Central Committee's work can in no way be either procedural or technical. In any case, the way in which the party fulfilled its leading role in society has never been of that nature.

Smole Criticizes Anti-Inflation Program

LD222248 Belgrade TANJUG in English 1927 GMT 22 Dec 87

[Text] Ljubljana, December 22 (TANJUG)—The government's Anti-Inflation Program is not what we expected it to be, since it offers no real chances for curbing inflation, president of the Socialist Alliance of Yugoslavia Republic of Slovenia Joze Smole said today. [sentence as received]

Addressing the organization's conference in Ljubljana, Smole warned that the government document had stirred up false hope in some sections of Yugoslav society that the crisis can be overcome by administrative solutions. Moreover, he said, the government insisted "in an exacting manner" on the program being passed by the Yugoslav Assembly.

"We reject all tendencies to use the current crisis for a return to the old, be it either statist 'real socialism' or bourgeois democracy," pointed out Smole.

Yugoslavia's strategy, [word indistinct] should be one of the broadest possible openness towards the world, [words indistinct] only declaratory orientation towards market economy. This will impel the enterprises, which should be ensured autonomy and freed from the guardianship of politics to use capital more profitably.

In shaping such a program, insisted Joze Smole, it is necessary to rely much more on economics. In a reference to economists he said there must be no repetition of "costly mistakes from the past when we excommunicated and anathemized people" instead of discussing their proposals in a contest of opinions, on the strength of arguments.

"Freedom of the market which we advocate goes hand-in-hand with the freedom of thought and word. One cannot without the other" noted Smole.

He said that pluralism of interests, diversity of ideas and a constructive consideration of all, even alternative views should be ensured within the Socialist Alliance, which many people still do not [word indistinct] as their own organization. It is essential to be sensitive to all alternative solutions which are better than present, which will raise selfmanagement to a higher level and guarantee a "truly law-respecting, civilian socialist self-management society where the freedom and integrity of man will be fully ensured," concluded Smole.

Slovene Trade Unions Criticize Government

LD242358 Belgrade TANJUG in English 2015 GMT 24 Dec 87

[Text] Ljubljana, Dec 24 (TANJUG)—In an open letter to its membership, the Yugoslav trade union leadership and the public, the leadership of the trade union organization in the Republic of Slovenia said today that interventionist measures by the federal government had disrupted the regular course of production and exports.

In a bid to curb inflation currently running at 160 percent, the government imposed a six-month freeze on price increases and a six-month partial wage freeze, together with removing disparities in the prices of energy, food and transportation.

The Slovenian trade union leadership underlines in its letter that the administrative and indiscriminately applied measures in prices have seriously aggravated the generation of income and disrupted food supply.

This situation deepens insecurity and instigates conflicts, and the majority of firms are no longer able to retain economic motivation, the letter warns.

The Slovenian trade union organization says it will resolutely oppose all tendencies towards levelling and support demands by workers who feel that their income has been curtailed by the government's administrative measures.

Criticism of Pancevski Termed 'Absurd'

AU172002 Belgrade POLITIKA in Serbo-Croatian 14 Dec 87 p 5

[Text] Skopje, 13 Dec (TANJUG)—The fact that Milan Pancevski, who submitted an introductory report at the recent LCY Central Committee plenum, came under a storm of criticism was assessed by the Saturday [12 December] issue of NOVA MAKEDONIJA as being absurd. One got the impression that individual members of the LCY Central Committee came to the session prepared to defend Fadilj Hodza in their own way, the article says, and then adds the following:

"The very qualifications of Hodza's misdoings in themselves point to the possibility that the statements made by individual Central Committee members after Pancevski's speech may have been tendentious." Any politically knowledgeable user of the information contained in the significant documents that have been publicized to date about the proceedings carried out about Hodza understands completely that it means that Fadilj Hodza is guilty of yielding and succumbing to Albanian nationalism and separatism, most of the time doing no more than denouncing them verbally. Irrespective of whether statements in Hodza's defense were deliberate or whether they came as a result of the lack of political sense, the consequences are similar: serious political damage was done and the public's attention turned in the wrong direction. The newspaper says that some people can abuse such polemics as a trump card in political games and in cadre policy that is usually used as a scene for various manipulations. The entire polemics has left behind it the feeling that even in the highest forums, the road to unity is still difficult and fraught with thorns, NOVA MAKEDONIJA concludes.

Radio Views Right to Different Opinion

AU272029 Belgrade Domestic Service in Serbo-Croatian 0900 GMT 27 Dec 87

[Kosta Krajincanic commentary—from the "Sunday at 10" program]

[Text] Although the debate at the latest LCY Central Committee Presidium session deals with the implementation of the conclusions of the 11th plenum, one could not neglect some principled stands that apply equally to all our past and future plenums and to all other party meetings and debates, as well as to the activity of the LC in general. One such stand found its place at the very beginning of the announcement on the session: Democratic development of policy presents one of the key principles of life and practice of the LC and the best way to develop unity in assessments, stands, and conclusions of the LCY. At the beginning of the announcement, it is stated that each member has the right to express his opinion in the debate, but he also has the obligation to support and implement adopted stands and conclusions. The Central Committee Presidium had several occasions recently to recall this party program principle, and these were in fact connected with the 11th plenum. As is known, it was at this plenum that the opinions of two Central Committee members differed from the opinion of the majority, and this provoked reaction from individual LC organizations and leaderships, and at some meetings and in commentaries carried in the media. This reaction went so far as attacks, founded criticism, imputation of something that had not been said, and even calling those Central Committee members on the carpet, together with some others who had dared to think differently.

The LC Central Committee Presidium strictly opposed the frequent phenomena of identifying and calling people on the carpet because they held different opinions. That is contrary to the LC statute and alien to its democratic being. This warning has arrived at the right moment, it seems. Any limit to the right to hold one's own, even if different, opinion is a certain road toward dogma and bureaucratization of all social life. True, the failure to accept a different opinion and similar examples of intolerance can sometimes be understood. They are sometimes only a temperamental reaction to opportunism and to the endless postponement of solutions to numerous social problems, and sometimes an expression of an a priori conviction that difference in opinions cannot be overcome even by using the principle of democratic centralism. However, such a sociopsychological disposition cannot be justified in any of those cases

because its most frequent outcome is a verdict pronounced to an opinion before the deed has been done and excommunication from public and political life. The announcement by the LCY Central Committee Presidium should be understood as a warning of the danger from such actions.

Kosovo Council Looks at Irregularities

LD242340 Belgrade TANJUG Domestic Service in Serbo-Croatian 1627 GMT 24 Dec 87

[Text] Pristina, 24 Dec (TANJUG)—The Kosovo Executive Council adopted at today's session a report on activities to take measures to remove irregularities in the equal application of the language and script of nations and nationalities when inscribing the names of places, streets, firms, and other public signs.

Significant results have been achieved, it is stated in a communique from the session, in the field on the application of regulations on the implementation of equality. However, as was stated, there are still departures from their consistent application. Individual cases show that the names of shops in the social sector, private restaurants, streets, and schools in some municipalities are not inscribed in two or three languages, and there are also cases where letters are different in size.

The council charged the municipal administrative organs, inspectors, and other authorized organs with continuing the activity on establishing irregularities on the inscription of signs and taking strict measures in order to eliminate faults, as well as the measures against responsible persons.

The Kosovo Executive Council has submitted to the Provincial Assembly a draft law on internal affairs proposing a new organization to carry out the public security duties that should be carried out by a service of the Provincial Secretariat for Internal Affairs, while every municipality will set up a separately organized unit of this service. The law also envisages that the duties referring to the issuing of travel documents, the procurement of weapons and ammunition, the issuing of driving licences, driving tests and vehicle registration should be considered internal affairs. Apart from this it is proposed that a part of duties on antifire protection and the protection from explosions should also be carried out by a separate organ of municipalities' administration.

Discussion on Celebrations of Christmas Noted

LD242138 Belgrade TANJUG in English 1613 GMT 24 Dec 87

[By Ealih Konjhodzic]

[Text] Belgrade, Dec 24 (TANJUG)—President of the Socialist Alliance of the Working People of Slovenia Joze Smole yesterday appeared in the most popular television program to convey his best wishes to believers in the republic for tomorrow's religious holiday celebrating peace and the birth of Jesus Christ—Catholic Christmas Day. Archbishop of Ljubljana Dr Alojz Sustar will also appear on television later today to convey his Christmas greetings.

Last year, for the first time in socialist Yugoslavia, Smole and Sustar broadcast publicly their Christmas messages to all Slovenes who celebrate Christmas as a family, religious or traditional holiday.

Messages for Christmas and other religious holidays, however, are not broadcast publicly in other Yugoslav republics and provinces, including the Socialist Republic of Croatia, where the majority of Yugoslavia's Catholics live.

Similar messages have so far not been conveyed by prominent political officials to adherents to other faiths in Yugoslavia—Orthodox Christians, who are the most numerous, Moslems, or those who belong to some 40 smaller religious groups.

Public Christmas greetings in the name of the Socialist Alliance, the most numerous socio-political organisation, which includes also all progressive believers, have recently given rise to a public debate in Yugoslavia on the desirable approach to Christmas and ways of celebrating it. Catholic Church sources make increasing requests to official state organs to declare Christmas a non-working holiday.

Together with these demands by Catholics, many counter views are being voiced followed by criticism by atheists that the Christmas messages by themselves are already an anti-constitutional act. A part of Yugoslavia's press underlines that Christmas cannot be a non-working holiday. At the same time, no-one denies the believers their right to celebrate Christmas and other religious holidays freely in their families or churches, as they have always done.

The federal conference of the Socialist Alliance has recently made it known that public Christmas greetings should not become a widespread practice through information media, but at the same time stressed that this does not concern the Socialist Republic of Slovenia, where such greetings have already become a practice.

The approach to Christmas has thus become primarily a political and ideological question, and its broader social treatment still remains to be determined and coordinated. It has also became clear that Christmas solutions, on account of specific conditions, cannot be the same for every narrower region in Yugoslavia. Religious experts believe that the decision on ways of celebrating Christmas should be left to the Socialist Alliance in each area.

They say that this would enable the creation of such a social climate which would make possible the finding of best solutions spontaneously, without any conflicts, political compromises or tactical concessions.

The worst solution both for Yugoslav society and the believers would be a polarization of citizens between those in favour and those against celebrating Christmas. Such an unnecessary division would eclipse far greater problems than Christmas, such as the current economic and political crisis in the country.

Christmas celebrations are expected to be held in an atmosphere of tolerance, respect and joint wish of all Yugoslavs, regardless of their religious beliefs or nationality, to contribute to a quicker resolving of the present difficulties.

Bosnian LC President Suffers Heart Attack
AU241524 Belgrade BORBA in Serbo-Croatian 18 Dec 87 p 14

[D.P. report: "Uzelac Has Heart Attack"]

[Text] Belgrade, 17 Dec—Milan Uzelac, president of the Bosnia-Hercegovina LC Central Committee Presidium, was admitted to the Belgrade Military Medical Academy on 15 December. Dr Djuro Matunovic, who is treating Uzelac, told BORBA today that Uzelac had suffered a myocardial infarction on that day and that his state of health had now improved, and he would follow the usual course of treatment of 21 days.

Economic Talks Held With Hungary
LD192342 Budapest MTI in English 1818 GMT 19 Dec 87

[Text] Novi Sad (Yugoslavia), December 19 (MTI)—Jozsef Marjai, deputy chairman of the Council of Ministers and minister of trade, and Janez Zemljaric, vice-president of the Federal Executive Council (government) of the Socialist Federal Republic of Yugoslavia, held talks in Novi Sad on Saturday.

The parties surveyed the state of economic, technical and scientific cooperation between the two friendly neighbour countries, assessed the trend of bilateral trade in 1987 and exchanged views on governmental tasks related to bilateral goods delivereis in 1988. The politicians paid distinguished attention to the development of border trade.

The parties exchanged views on experiences in adaptation to the requirements of world economy and international trade.

Jozsef Marjai visited the Novi Sad refinery of the Naftgas Oil and Gas Trust.